





## Israeli Jets Attack Area In Lebanon; Up to 41 Die

By Ihsan A. Hijazi  
New York Times Service  
BEIRUT — Israeli Air Force planes attacked Palestinian areas near the southern Lebanese port city of Sidon on Saturday, and as many as 41 people were killed and 40 were wounded.

The Palestine Liberation Organization said 41 had been killed, but the local police put the number of dead in the three consecutive air strikes in and around the Ain Khilweh district at 38.

The dead and wounded were the largest number of casualties in 20 air attacks by Israeli jets in the Sidon area this year, and a statement by the PLO denounced the attacks as causing carnage. A Moslem radio station, Voice of the Homeland, described the action as savage.

An Israeli Army spokesman quoted by the state radio said the targets hit were used by terrorist groups that were planning raids against Israel. The spokesman said that all planes had returned safely to base and that the pilots had reported accurate hits.

Witnesses said that three buildings used by the Fatah group of Yasser Arafat, the PLO chairman, had been destroyed and that several people were buried under the debris. The buildings were at the edge of Ain Khilweh, the largest Palestinian district in southern Lebanon and the main guerrilla stronghold in the area.

Although the Israeli Army spokesman said the raid was not in retaliation for any particular guerrilla action, it coincided with an increase in Arab attacks in Israeli-occupied territories.

In another development, an official of the Italian Embassy was released Saturday, five days after he was kidnapped in West Beirut, which is patrolled by Syrian troops. The official, Joseph Khoury, who has dual Italian-Lebanese nationality, appeared unharmed at a news conference at the Beirut residence of Justice Minister Nabih Berri, who leads the Shiite Moslem movement Amal.

### Chagall Self-Portrait Stolen

REUTERS  
ZURICH — Thieves stole a self-portrait of Marc Chagall, valued at an estimated \$50,000 Swiss francs (\$570,000) from a private gallery here, the police said Saturday.



ABOVE THE FRAY, A LAVI SOARS — A 12-foot scale model of the canceled Lavi jet fighter was raised during a peaceful but noisy protest Sunday by about 15,000 Israeli aircraft workers near the office of Prime Minister Yitzhak Shamir in Jerusalem as Mr. Shamir and the cabinet held their weekly meeting. The cabinet was studying ways to limit job layoffs because of its decision on Aug. 30 not to put the jet into production.

## Mecca Witnesses Say Saudis Opened Fire

By Elaine Sciolino  
New York Times Service  
WASHINGTON — Mounting evidence suggests that Saudi national guardsmen opened fire with pistols and automatic rifles during rioting in the Moslem holy city of Mecca in July after the Saudi police lost control of a crowd led by knife-wielding Iranians, according to U.S. officials, Arab and Moslem diplomats and witnesses.

Many of the events of the July 31 tragedy at Islam's holiest shrine, in which more than 400 people are believed to have died, are still unknown, and some confusion over conflicting accounts may never be resolved. But intelligence reports give a fuller version of what led to the violence.

Immediately after the rioting, Iran said Saudi security forces had opened fire on a peaceful crowd. Saudi Arabia denied this and said Iranian Shiite fanatics had plotted to destabilize the kingdom.

Saudi officials have repeatedly said that "not a single bullet was fired," maintaining that people were trampled to death.

"The Saudis will never admit

that they opened fire," a State Department official said, adding that the United States had no intention of contradicting the Saudi version. The State Department has said only that the Saudis "acted responsibly" in quelling the riot.

Less certain is what prompted the normally cautious Saudis to send armed national guardsmen

particularly grisly episode: the beheading of a Saudi policeman. His head was put on a stick and carried above the crowd, they said.

The episode prompted an attack by policemen, armed with electric batons, who were repulsed by Iranians with swords and sticks, according to this version. The police retreated and the guardsmen

into the precincts of the mosque. Saudi police, who usually patrol there, do not carry arms.

The Korean demands nonviolence during the hajj. During the 1979 hajj, when Sunni Moslem militants occupied the Grand Mosque, Saudi police and soldiers had to receive a spiritual dispensation before using force.

Some U.S. reports from Saudi Arabia said the guardsmen lost control and opened fire only after a

President Hafez al-Assad of Syria brought a pledge from President Ali Khamenei of Iran to King Fahd that there would be no disruption. But in a speech on the eve of the hajj, Ayatollah Ruhollah Khomeini, Iran's leader, exhorted all pilgrims to turn it into "a battlefield."

The clash stemmed from a disagreement over the ground rules for a mass Iranian demonstration carried out every year since 1983. The Saudis at first urged the Iranians not to hold the demonstration.

When the Iranians insisted, the Saudis gave tacit approval for a limited demonstration.

It began as a peaceful rally at 4:30 P.M. after the evening prayer in Muzabba, a residential district of Mecca, and was to proceed along Holy Mosque Street, a wide boulevard, to a large square about a mile away, according to Mushabih Hussain, a Pakistani journalist who witnessed part of the disturbance, and other witnesses.

The Iranians had strung loudspeakers all along Holy Mosque Street so that Mortazai Far, one of the march leaders, could lead the chants.

Shortly before 7 P.M., as the march approached the terminus point, the trouble started. Some Iranian pilgrims wanted to continue toward the Grand Mosque a mile away but were stopped by a cordon of Saudi riot policemen.

From then on, what occurred is in dispute.

A number of Iranians, believed to be Revolutionary Guards, attacked the Saudi police with knives and sticks from their banners, while Saudi policemen used electric batons to turn them back, some officials and witnesses said. At one point, some Iranians began to slash other pilgrims as well, according to U.S. intelligence.

Edited film released by Saudi Arabia showed demonstrators setting fire to police cars, motorcycles and private cars and others hurling stones and waving sticks.

For about 20 minutes, police in riot gear and Iranian pilgrims played a kind of hide-and-seek, with a series of clashes and retreats into nearby buildings. Meanwhile, witnesses said unknown agents in Arab headresses began throwing bricks, stones and rocks from the upper stories of a nearby garage.

"The buildings were full of men who were throwing stones and bottles on the demonstrators," said Mohammed Ali Wakel, an Iraqi-born British physician. "The stones just kept on coming, and so many people were wounded or killed. The exits were blocked and the crowd tried to push through the police."

"The police used electrical batons that made people fall over," he said. "Once they fell, they were crushed because of the human wave. Many people tried to beat the police desperately with their fists or with sticks just to get away."

Saudi reinforcements arrived and fired tear gas into the crowd. According to U.S. intelligence, the reinforcements, from the Saudi National Guard, opened fire with automatic weapons.

By 8 P.M., the Saudis had regained full control and the crowds were dispersed.

Magistrates investigating illegal arms trafficking immediately took over investigations of the ship. The magistrates have been trying to establish whether there are links between the arms dealers and guerrillas and to discover how weapons entered Italy that were used by Arab guerrillas in an attack in December 1985 at the Rome airport. Fifteen people were killed in the assault.

Most prominent among those arrested on Saturday was Ferdinando Borletti, head of an Italian arms manufacturer, Valsella Meccanotecnica, and his son Giovanni. Four Valsella managers were also arrested.

A lawyer for the Valsella management, Gianni Chiodi, told the Milan daily Corriere della Sera: "The arrest warrants are vague. But I believe the magistrate found among the documents only a reference to a possible illegal exporting of arms."

Last month, Foreign Minister Giulio Andreotti ordered an investigation into reports by the French magazine L'Evenement du Jeudi that Valsella had supplied arms to Iran and Iraq from 1981 to 1984.

Italy's police have arrested 32 people, including the head of a leading arms manufacturer and his son, as part of investigations into suspected illegal arms deals linked to the Gulf, Middle East terrorism and the Mafia.

Among the arrests announced on Saturday were those of two men thought by the police to belong to a Sicilian Mafia family.

Magistrates said warrants were issued for the arrest of 45 people on suspicion of illegally exporting arms and of criminal association. Thirteen were still at large.

Investigators said they believed the weapons, including Italian mines, might have been sold to Iran and Iraq.

Seventeen of those arrested were the foreign crew of the Lebanon-registered ship Boustany 1, which was impounded on Wednesday in Bari after arms and drugs were discovered on board.

On the day the ship was seized, a suitcase filled with papers that are said to implicate several Italian companies in illegal arms deals was found in a Bari hotel room.

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## Italy Arrests 32 Suspects In Mideast Arms Deals

Reuters

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## WORLD BRIEFS

### 29 Israelis Arrested in 'Sabbath War'

JERUSALEM (Reuters) — Mounted Israeli policemen attacked hundreds of Orthodox Jews with clubs and tear gas and arrested 29 in protests throughout Jerusalem on Saturday against the screening of films on the Jewish Sabbath.

The police said they also arrested one secular Jew in the latest round of a monthlong "Sabbath War" between religious Jews who view the screenings as a desecration of the Sabbath and secular Israelis opposed to any religious constraints.

The Orthodox Jews, who believe religious law should be imposed on Israel to hasten the coming of the Messiah, want to prevent the screening of films at five theaters on the Sabbath, which runs from sundown Friday to Saturday night. They have forced the closure of a number of roads, burned down bus shelters carrying advertisements of women in swimwear and blocked the building of a soccer stadium on the ground that it would be used on Saturdays.

### U.K. Uncovers IRA Plot to Kill Official

LONDON (Reuters) — The British police have charged three persons with plotting to kill Tom King, the Northern Ireland secretary, amid speculation that Irish guerrillas might attempt to assassinate Prime Minister Margaret Thatcher.

The three, two men aged 24 and 27 and a woman aged 22, were held for nearly a week under the Prevention of Terrorism Act until they were charged Saturday. They were arrested on Aug. 30 after an incident at the farmhouse of Mr. King, 54, who was on vacation in Scotland.

The charges came after press speculation that the guerrilla Irish Republican Army planned to kill Mrs. Thatcher at the Conservative Party conference next month. The police refused to comment on reports that they were hunting an IRA hit team in the area near Blackpool, the northern resort where the Conservatives will meet from Oct. 6 to 9. Mrs. Thatcher narrowly escaped death in 1984 when an IRA bomb exploded in her hotel in Brighton during a party conference.

### Afghanistan Peace Talks Resuming

WASHINGTON (WP) — Afghanistan and Pakistan will resume negotiations Monday on a political settlement of the Afghan war, reports that the Soviet Union will offer to withdraw its forces in a year.

The Soviet offer, if forthcoming, could break the deadlock in the five-year Geneva negotiations, because a schedule for withdrawal of the 115,000 Soviet troops has been the major stumbling block.

At the last session of talks in March, the Soviet Union, through the Kabul government's delegation, offered to evacuate its forces within 18 months; Pakistan demanded that the withdrawal be completed within seven months. A Soviet offer of one year would appear to be an attempt at compromise.

### Envoy Assails Austrian Anti-Semitism

VIENNA (Reuters) — The U.S. ambassador to Austria, Ronald Lauder, said in an interview published Sunday that Austrians openly encouraged anti-Semitism by sweeping it under the carpet.

Mr. Lauder, expected to leave his post this autumn, is Jewish. He also told Profil magazine that he and his family were told by a Viennese shop owner that Jews were not welcome on the premises. He said the incident occurred in June 1986, shortly after he became the U.S. envoy to Austria.

Leaders of Vienna's Jewish community have reported a rise in anti-Semitism since the U.S. Justice Department decided in April to suspend Kurt Waldheim from entry as a private citizen because of suspicion over his war record.

### For the Record

Sudan's foreign minister, Mohammed Tewfik Ahmed, has resigned because of the collapse of Prime Minister Sadek el-Mahdi's coalition government last month, the Middle East News Agency reported from Khartoum.

Matvey Finkel, a longtime refusenik, was allowed to leave Moscow for the United States on Saturday to live with his American wife and infant daughter in the state of Washington, friends said.

### Northwest Gets Most Passenger Grips

WASHINGTON (NYT) — Northwest Airlines now outranks Continental as the carrier with the most traveler complaints filed against it with the federal government.

According to the Department of Transportation's monthly consumer complaint report, 1,583 complaints by passengers were filed against Northwest in August, for a rate of 47.36 for each 100,000 passengers. By comparison, the complaint rate in August 1986 against Northwest was 1.96 for every 100,000 passengers, and in July 1987 it was 28.11.

Continental saw its complaint rate fall from 45.9 for each 100,000 passengers in July to 38.6 in August. Rounding out the top five in August were Trans World Airlines, third with 26.96; Eastern, fourth with 24.33; and Pan American, fifth with 23.08.

### This Week's Holidays

Banks and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Bermuda, Brazil, Canada, Guam, Mozambique, South-West Africa (Namibia), Puerto Rico, Sri Lanka, United States, Virgin Islands.

TUESDAY: Andorra, Rwanda.

WEDNESDAY: Bulgaria.

THURSDAY: Belize, Bulgaria.

FRIDAY: Chile, Ethiopia, Pakistan.

SATURDAY: Cape Verde Islands, Ethiopia, Guinea-Bissau.

Sources: Morgan Guaranty Trust Co., Reuters.

### DOONESBURY

RACIAL SENSITIVITY, 1987.  
YOU KNOW, HOWARD, I THINK ONE OF MY PRODESS LEGACIES IS GOING TO BE IN CIVIL RIGHTS!

I OPPOSED THE VOTING RIGHTS BILL, GUINIED AFFIRMATIVE ACTION, SUPPORTED TAX BREAKS FOR SEVERED COLLEGES, ALL BUT DISMANTLED THE CIVIL RIGHTS COMMISSION.

ALL WITHOUT A WHIFF OF SCANDAL!  
YES, SIR, THEY CAN'T TAKE THAT AWAY FROM YOU.

BUT FOR A REAL PIECE OF WORK, LET'S GO TO ARIZONA!  
GOVERNOR, SAY A FEW WORDS TO—  
MY MIND A CUTE LITTLE POCAHONTAS!

THE WEST GERMAN PILOT, 19, WAS SENTENCED FRIDAY TO FOUR YEARS IN A LABOR CAMP FOR HIS ILLEGAL FLIGHT. TASS SAID THE COURT SAW NO REASON TO CONFISCATE THE PLANE SINCE IT DID NOT BELONG TO MR. RUST.

MOSCOW — The single-engine plane that Mathias Rust landed near the Kremlin in May will be returned to the Hamburg Aero-Club, which owns it, according to Tass.

The West German pilot, 19, was sentenced Friday to four years in a labor camp for his illegal flight. Tass said the court saw no reason to confiscate the plane since it did not belong to Mr. Rust.

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### Airplane That Rust Used Will Return to Hamburg

Reuters

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## AMERICAN TOPICS

### Southwest Contends

Fish Cactus Rustlers

The illegal trade in desert fish cactus is growing in the Southwest. The New York Times reports that the increase in international popularity of cactus has made poaching and growing profitable.

Ironically, the problem has been compounded by the trend toward landscaping among residents of the Southwest, strongly encouraged by government officials to conserve water and reduce the use of pesticides.

Particularly popular for ornamental uses are saguaro and cholla cactuses, and saguaro, the tall, multi-armed cactus that is the symbol of Arizona.

It takes more than 100 years for a saguaro to reach a height of 10 feet. It weighs 515 pounds at maturity, plus 515 at the top.

The federal Fish and Wildlife Service has a record last year with more than 300 citations and fines for cactus rustling.

This is an old tradition in the Southwest. "They don't run any official," they don't run any official.

Chicago. national We. deluge. I. generally, I. just even. will some. fines at a. fast-food. courts, a. county



## AMERICAN TOPICS

### Southwest Confronts With Cactus Rustlers

The illegal trade in desert plants, while not as lucrative as the traffic in drugs, parrots or illicit furs, is growing in the American Southwest. The New York Times reports. The increasing international popularity of cactuses has made poaching and smuggling profitable.

Ironically, the problem has been compounded by the trend to desert landscaping among residents of the Southwest, strongly encouraged by government officials to conserve water and reduce pollutants that may cause allergic reactions. Particularly popular for ornamental uses are barrel and hedgehog cactuses, yucca and saguaro, the tall, multi-armed cactus that is the symbol of Arizona.

It takes more than 100 years for a saguaro to reach a height of six feet (1.8 meters). It brings \$15 a foot at retail, plus \$15 to \$25 an arm.

The federal Fish and Wildlife Service set a record last year with more than 200 citations and warnings for cactus rustling.

"This is an easy resource to exploit," says Michael Ekins, an agency official. "They don't run away."

### Short Takes

The number of applicants to medical schools is dropping, possibly because students are concerned about an expected glut of doctors, the prevalence of malpractice suits and increasing debt on graduation, according to the American Medical Association and the Association of American Medical Colleges. They said the number of applicants dropped 4.8 percent in 1986 to a total of 31,323, the fifth annual decrease in a row, and is expected to drop a further 9 percent this year.

A new Aegis guided-missile cruiser will be christened the Blue City, the first American warship to bear the name of a battle of the Vietnam War. Navy Secretary James H. Webb Jr., himself a decorated aviator veteran of the war, has announced. The battle for Hue, in which marines played a central role, was fought in 1968.

Shorter Takes: August was the wettest month ever recorded in



**OFF AND RUNNING** — Ron Paul of Houston after his nomination in Seattle this weekend to be the Libertarian Party's presidential candidate. Mr. Paul, a former congressman, broke from the Republican Party last year saying that the conservative promises of the early 1980s, including a balanced budget, had not been fulfilled.

Chicago, according to the National Weather Service. The total deluge, 17.1 inches (43.4 centimeters), was five times the August average. • Traffic violators will soon be able to pay their fines at a drive-through window in Dade County, Florida. "It's a fast-food approach to the courts," said Richard Brinker, a county circuit court clerk, who proposed the idea. • George Sacko, a postal worker from Clifton, New Jersey, has won the \$1,000 first prize for growing the biggest tomato in the state: 4,352 pounds (1,975 kilograms). It was his third such victory. He declined to say what fertilizer he uses.

**Den Mothers Are A Vanishing Species** — "More mothers working away from home means more worry about serious matters like latch-key children," meaning children who have to stay home alone after school. The New York Times says in an editorial, but "that's not the only loss."

"Who brings in the Valentine cookies and helps out at the class party? Who goes along on school trips to the whaling museum or the apple orchard? Are there any Cub Scout den mothers left?" The new reality has brought its own adjustments. Parent-Teacher Associations now meet

mostly at night. Store hours have changed: If mother-daughter shopping trips endure, they're more hurried, less likely to end in lingering lunches in the old department store restaurant.

The Times concedes: "Nostalgia eventually snags on reality here. Then and now, paid or not, many women have had to work. But many would have chosen different kinds of lives."

"They're free to be lawyers now, or bookkeepers or bankers. Still, amid these measured gains, they remember the warm glow of baking cookies and driving the kids to the ice skating pond, and note the losses."

—ARTHUR HIGGINS

## Uranium Enriched By Brazil

*Los Angeles Times Service*

**RIO DE JANEIRO** — Brazil has announced the development of its own technology for enriching uranium, a process possessed by only eight other countries.

President José Sarney said Friday that the technology would not be used to produce nuclear bombs.

"Brazil's commitment to use nuclear energy for exclusively peaceful purposes is unquestionable," he said.

Brazil imports enriched uranium for its nuclear power plant, Angra 1.

The Nuclear Energy Research Institute in São Paulo began developing a modified ultra-centrifuge method that has achieved an enrichment level of 3 percent, sufficient to produce fuel for the plant.

Nuclear bombs require uranium enriched to more than 90 percent.

Mr. Sarney said that Brazil had developed the technology without any external help under an eight-year program that cost \$37.4 million.

A plant for enriching uranium is being built at Iperó, in the state of São Paulo.

Reza Nazareth, president of the National Commission for Nuclear Energy, said that Brazil's great reserves of uranium would make the country one of the world's most important producers of enriched uranium.

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## Chile Sinks Hook Into Global Fish Market

*By Juan de Onis*  
*International Herald Tribune*  
**CALBUCCO, Chile** — The old man pulled the silvery bait fish from the tangled gill net in his long boat as a stingy wind whipped across the white-capped waves.

"The sea gives and the sea taketh away," said Pedro Herrera, baiting hooks as he rode out the storm.

At land's end here, Chile disintegrates into islands and fjords fed by the south Pacific's Humboldt current. Fishermen are netting a harvest of seafood that is flown and sent by ship to markets from Tokyo to Paris.

The fishing potential has attracted so much international interest that Japan is financing a \$10 million fish processing center near Calbuco and a French commercial mission of fish suppliers is to visit the region next month.

Mr. Herrera, 69, has been a commercial fisherman on the Chilean coastline since he was a boy in Valparaíso, Chile's big port city.

"We moved down here three years ago and taught these fellows here how to fish with long lines, four thousand hooks to a line," he said. "We have been making good money, when the weather lets you work."

One recent day, the sea was too rough for Mr. Herrera and two of his sons, Benito, 39, and Juan, 38, to go beyond the sheltered bay in Calbuco in their outboard-driven boat.

But when the squall ended, the Herreras and thousands of other fishermen headed for the fishing

banks where a booming export business is under way.

The fish catch is mainly Antarctic whiting, or merluza, which is similar to hake, and conger eel.

Fish ranchers are breeding fish that nature has not put in the cold, unpolluted waters off southern Chile, including both Atlantic and Pacific salmon and rainbow trout.

There are 19 fish farms in fresh

water lakes, coastal fjords, and the glacier-fed rivers of Magallanes, at the southern tip of Chile. The salmon operations include Norwegian, Scottish, Japanese and French companies.

The salmon, mainly cohos, that are seeded in the rivers are running to the sea weighing up to 44 pounds (20 kilograms) and in numbers that are commercially rewarding.

Fresh salmon are flown on ice to Miami, Tokyo and London. About 1,200 tons of salmon were caught last year and the 1987 target is 2,000 tons.

When more than 3 percent of the released salmon come back, it's Mercedes-Benz time," said André Couve, who catches and processes fish at a plant on Chiloe Island, south of Calbuco.

Japan loaned \$135 million last month to the Chilean Development

Corp. to promote the salmon fisheries.

Natural advantages as a fishery country, with 1,860 miles (3,000 kilometers) of Pacific coastline, already have made Chile the world's largest fishmeal producer.

Sardines, mackerel and anchovies, which are processed for meal and oil, accounted for five million tons of the total catch last year.

Attempts to protect abalone shoals by imposing a six-week season this year were poorly enforced and poaching was extensive.

Carlos Castaing, who operates a processing plant near Puerto Montt, exports fresh Antarctic whiting to Madrid and filets all over the world.

His company, Empromar, a \$1.5 million investment, depends on 400 small fishermen for the catch.

"There are marine biologists who fear that the pressure on the whiting biomass is at a limit," Mr. Castaing said.

"The land-based plants depend on the artisans, and we are proposing that the factory ships operate only below the 47th parallel."

The price of whiting has gone up from \$200 a ton when Mr. Castaing began his operation in 1979 to over \$700 a ton now.

With prices for whiting filets in New York at about \$1.80 a pound, processors and fishermen make money.

But if the international prices drop, the current boom could easily become a crisis.

Mr. Couve said that sustained high prices are likely to bring modernization of the fishing fleet, with trawlers able to fish at depths up to 6,500 feet (2,000 meters) with modern electronic equipment to locate schools.

"This is expensive, but the catch per boat in Chile is declining," he said.

"If you don't catch fish, you lose the market."

### Fishermen are netting a harvest of seafood that is flown and sent by ship to markets from Tokyo to Paris.

## Voting Begins in Argentina In Test of Alfonsín Policies

*Agence France-Presse*

**BUENOS AIRES** — Argentine polling booths opened Sunday for parliamentary elections in which about 19 million voters are expected to cast ballots for 127 members of the Chamber of Deputies, 21 governors and about 10,000 local officials.

The election, the third since Argentina returned to democracy in 1983, is seen as a crucial prelude to the 1989 presidential race.

More than 70,000 security troops were guarding the ballot sites but no incidents were reported.

Sports and entertainment events and the sales of alcoholic beverages were prohibited Sunday and are to resume Monday, after the polling booths close.

Polls last week suggested that the governing Radical Civic Union and the opposition Justicia-

lista Party would collect roughly equal numbers of seats and that President Raúl Alfonsín's absolute majority in the Chamber of Deputies could be in danger.

If Mr. Alfonsín loses his majority his plans for constitutional reforms could be jeopardized, observers said.

He is in the fourth year of a six-year term. Under the present constitution he cannot run for re-election, although he has proposed a constitutional reform to allow re-election and create a parliamentary system.

Mr. Alfonsín cast his vote in his native city of Chascomús, 75 miles (120 kilometers) southeast of Buenos Aires.

He was scheduled to return to a presidential residence on the outskirts of the capital later Sunday.

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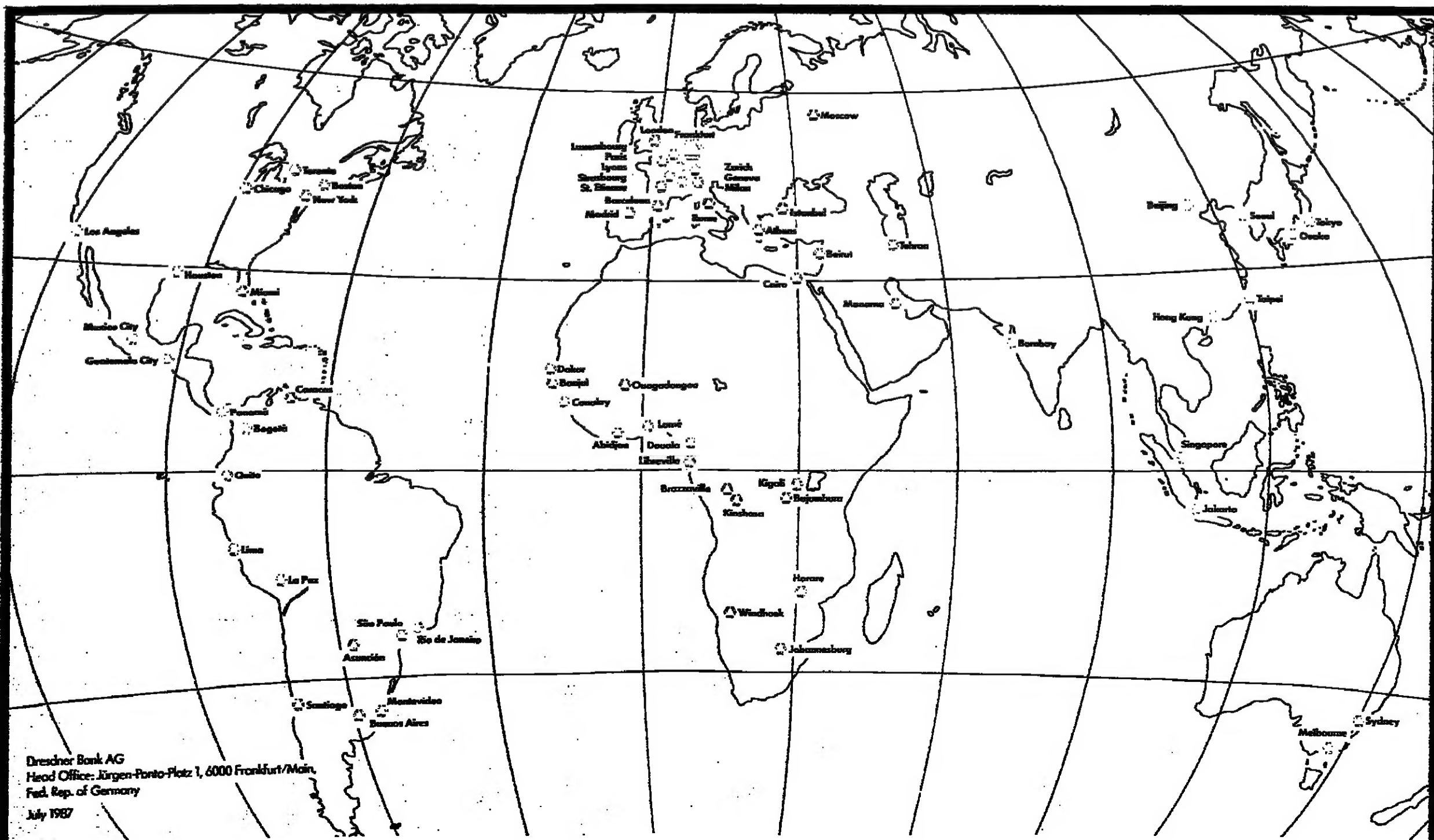
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# New Ship Recalls the Glory of Trans-Atlantic Liners

By Barry James  
International Herald Tribune  
SAINT-NAZAIRE, France — The age of the trans-Atlantic liner is all but over, but there is still a market for vessels that recall those glory days.

The Sovereign of the Seas, which has headed into the Atlantic off the coast of Brittany for its first sea trials, is the biggest of them all in terms of the numbers of passengers it can carry—2,600 in cabins ranging from the elegant to the functionally minimal.

In little more than four months, the 880-foot (268-meter) vessel will start its career of carrying thousands of American tourists on Caribbean cruises.

The Sovereign of the Seas is designed to appeal to Middle America rather than Palm Beach millionaires. The salons are glitzy, but the engines are frugal, making it no more expensive to operate the ship than one carrying hundreds of passengers fewer.

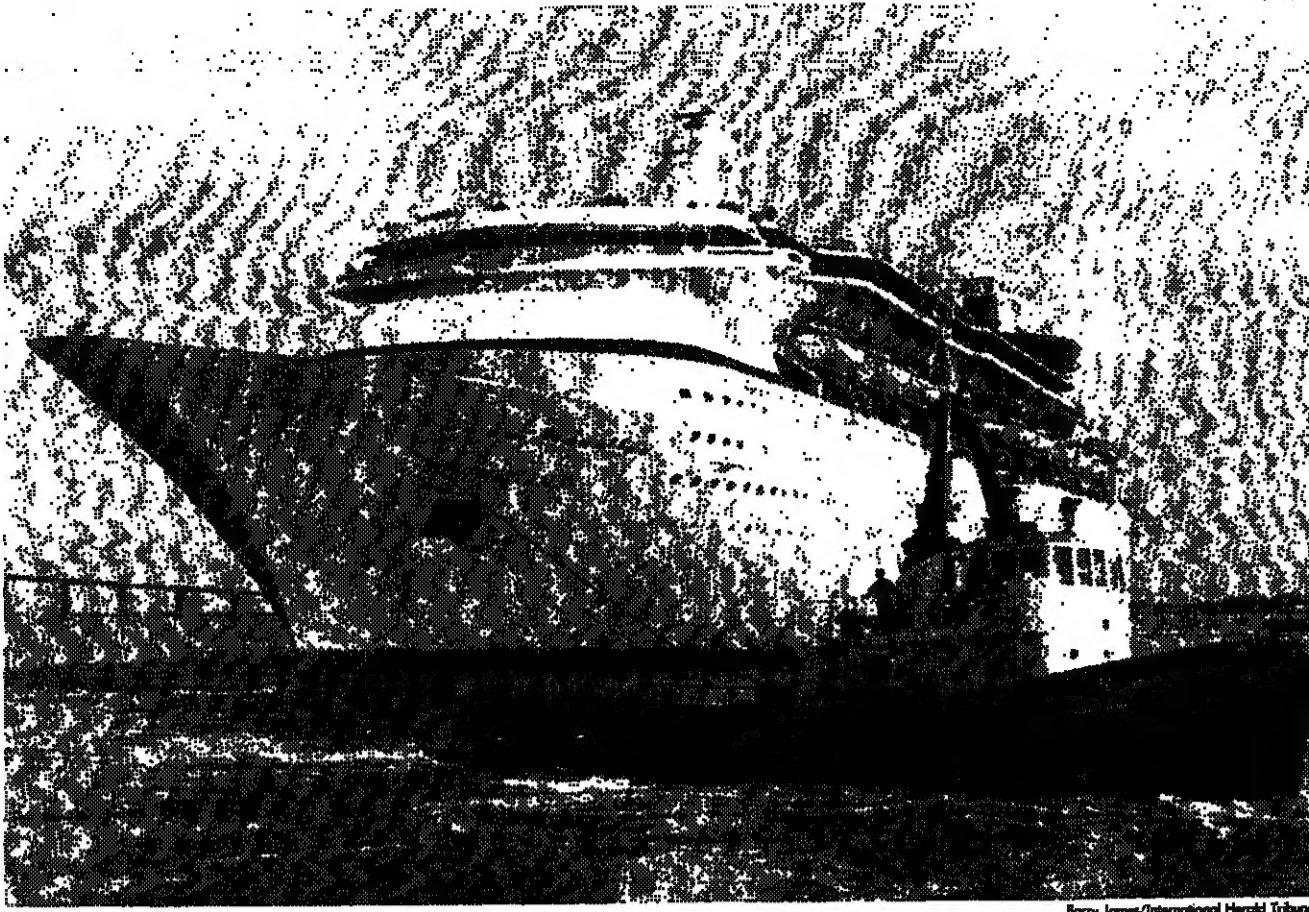
It would win no speed trials with liners like the France, which left the same shipyard in 1962, and which could travel at 35 knots compared with 21 for the Sovereign of the Seas.

The France, which has since been renamed the Norway and fitted with less thirsty engines, is also in the Caribbean cruise business, which last year attracted more than three million passengers.

The Sovereign of the Seas is heavier, at 74,000 tons, than the 65,000-ton France, but slightly shorter and narrower, with 12 passenger decks stacked up like a large hotel.

Still, with its sharp prow and top-deck promenades, the ship under way recalls elegance of the great trans-Atlantic liners, which succumbed to the speed and convenience of air travel.

Jean-Noël D'Acremont, the director of Les Chantiers de l'Atlantique, the shipyard where the Sovereign of the Seas has been a towering sight for the past year, watched with undisguised pride as the stately liner, with a fresh undercoat of white paint, headed down the Loire River and out into the sea for the first time Saturday afternoon.



The Sovereign of the Seas moving down the Loire River to begin its first sea trials over the weekend.

"She represents the bringing together of the best that French industry has to offer," he said. "Something like this is an object that characterizes the industrial strength of a country."

The \$175 million ship is due to be handed over to its Norwegian owner, the Royal Caribbean Cruise Line, on Dec. 23, and will operate out of Miami under the Panamanian flag.

With 310 crew and technicians aboard, the liner is undergoing two days of sea trials to test major items of equipment and the quiet running of its engines, which are mounted on elastic suspensions to eliminate vibration. Some of the tests are being conducted with a submarine

at the request of the French Navy, which wanted to register the acoustic pattern of the new engines.

Apart from bringing the ship's power plant up to operational capacity, workers still have to complete much of the lavish interior decoration, add more coats of paint to the hull, complete the paintwork and get the 1,140 cabins ready for the first passengers early in January.

Nevertheless, Mr. D'Acremont said he is confident the ship will be ready for delivery on schedule, only 29 months after the order was placed. The laying down of the keel took place only 15 months ago. Les Chantiers de l'Atlantique, a division of Societe Alstom-Atlan-

tique, won the contract over several Asian bidders, even though the French price was higher. The government had to subsidize part of the cost—estimated as high as 20 percent of the cost of the ship—to make sure the contract landed in France.

The shipyard's survival depends on its ability to keep a technological jump ahead of its Asian competitors. And as Les Chantiers de l'Atlantique goes, so goes Saint-Nazaire and the surrounding region. The Sovereign of the Seas has provided about eight million hours of work. About 70 percent of the content of the ship was made in France.

The shipyard, with 4,800 workers, is the sole survivor of several that once thrived in the region. For the moment, its future looks reasonably sound. It has just begun construction of another cruise liner to carry 1,700 passengers, and has orders for two giant car ferries. One, the Bretagne, will carry as many as 2,000 passengers and 600 cars between the west of France and England, and the other, the Ile de Beauté, will transport as many as 3,000 passengers and 800 cars between mainland France and Corsica.

"The market has been growing for the past 10 years," Mr. D'Acremont said. "Whether it continues to grow depends entirely on the health of the American economy."

## Viktor Nekrasov, 76, Soviet Writer, Dies

New York Times Service  
NEW YORK — Viktor P. Nekrasov, 76, who won the Stalin Prize for literature in 1947 but emigrated to the West in 1974 under attack for his liberal views, died Thursday near Paris.

A spokesman for a private clinic in the Paris suburb of Gentilly said Mr. Nekrasov had been hospitalized for 10 days suffering from cancer.

Mr. Nekrasov won the Soviet Union's highest literary award for his novel "In the Trenches of Stalingrad," distilled from his experiences as an army officer in World War II.

The book was often compared with "All Quiet on the Western Front" for its simplicity of narrative.

It won the prize on the personal intervention of Stalin despite the author's irreverent tone and refusal to stick to guidelines set by the Communist Party.

But his refusal to conform soon brought him into conflict with the authorities. He was denounced by Stalin's successor, Nikita S. Khrushchev, in 1963 for accounts of

travels in the West that seemed to approve and that criticized Soviet surveillance of Soviets abroad.

Commenting in 1964 on the English translation of Mr. Nekrasov's travel book "Both Sides of the Ocean," Brooks Atkinson wrote in The New York Times: "Although Mr. Nekrasov is not on the same artistic level as Boris Pasternak, he has an equal right not to be vilified by the head of his state." The author, Atkinson said, "writes in the colloquial style that seems to come naturally to Russians and he conveys a spontaneous sense of intimacy and goodwill."

Mr. Nekrasov criticized the 1968 Soviet invasion of Czechoslovakia, supported the dissident writer Alexander I. Solzhenitsyn, and took part in protests on Jewish and Ukrainian issues.

Shortly before leaving his country, Mr. Nekrasov said that his apartment in Kiev had been searched, that he had been subjected to six days of interrogation and that he had been told that his works would no longer be published in the Soviet Union unless he denounced Mr. Solzhenitsyn and An-

drei D. Sakharov, the physicist and human rights campaigner.

"Surely no one seriously thinks that a decent man can allow himself to join in that shameful stream of slander which was poured on the heads of the two most worthy people of our country," he wrote in a letter circulated in Moscow.

"Are we not being too generous throwing away people of whom we should be proud?" he asked. "The artist Chagall, the composer Stravinsky, the helicopter designer Sikorsky, all became part of someone else's culture."

Expelled from the Communist Party and the Writers Union, Mr. Nekrasov left in 1974 on a two-year exit visa but did not return.

His works include "The Native Town" (1954); "First Journey" (1958); "Vasya Kononov" (1960); "A Month in France" (1965); "Distance of 12,000 Kilometers" (1963); "Travels in Different Measurements" (1967); "Life and Letters" (1971); and "Notes of an Idler" (1976).

George Mikes, 75, Writer on Nations' Foibles  
LONDON (AP) — George

Mikes, 75, a Hungarian-born writer who created gentle satires on the foibles of nations, typified by "How to Be an Alien: A Handbook for Beginners and More Advanced Pupils," died Aug. 30.

His more than 40 books included serious subjects, such as a study of Hungary's 1956 uprising against Soviet domination. Other nations dealt with in his works were Israel ("Milk and Honey"), France ("Little Cabbages"), Japan ("The Land of the Rising Sun"), Germany ("Uber Alles") and "Italy for Beginners."

Stephen B. Binkley, 77, a member of the Nobel Prize-winning team of scientists that discovered a method of producing synthetic Vitamin K, Tuesday in Peoria, Illinois.

Charlie Smalls, 43, the Tony Award-winning composer and lyricist of the hit musical "The Wiz," in Belgium during surgery for a burst appendix on Aug. 27.

Morton Feldman, 61, a composer whose minimalist, expressionist works gained him an international reputation, of cancer, Thursday in Buffalo, New York.

## TURKEY: Early Vote Called

(Continued from Page 1)

voted briskly throughout the day at 98,000 polling booths in schools and other buildings across the land. The consumption of alcohol and the carrying of weapons were banned during the vote, in which no unruly incidents were reported.

Mr. Ozal announced the early election as the polls closed at 5 P.M.

Public-opinion polls before the referendum suggested a narrow margin in favor of lifting the bans—effectively a rebuff to Mr. Ozal, who had campaigned for the bans to be maintained. Among the banned figures, former prime minister Demirel, a conservative and veteran politician, is depicted by many analysts as the most serious challenger to Mr. Ozal.

With slightly more than half the referendum votes counted Sunday night, official results showed 51 percent of the nation's 25 million voters in favor of lifting the bans and roughly 49 percent against. By midnight, the margin seemed to be narrowing, and Turkish officials said the balance could change as more results came in.

Mr. Ozal has said lifting the bans would mean a return to the bloodshed that took 5,000 lives before the coup. His opponents, by contrast, have urged the lifting of the bans so as to further the restoration of full democracy.

The prospect of new elections is certain to throw the country's politics into turmoil after the relative tranquillity of the referendum.

By calling an early vote for November, Western diplomats said, Mr. Ozal seems bent on robbing rivals of time to organize a campaign against him. The country's left wing is divided, and the competition on the right is between supporters of Mr. Ozal and Mr. Demirel.

Mr. Demirel and Mr. Ecevit were barred from the 1983 vote that brought Mr. Ozal to power, and they argue that the election did not reflect national sentiment. If the bans on them are lifted, Turkish analysts said, Mr. Ozal will be under pressure to re-establish his credentials.

Should the bans be confirmed in the referendum Sunday, however, Mr. Ozal's supporters said, the prime minister is likely to interpret the outcome as a confidence vote, offering the impetus for elections designed to seek a renewed mandate to govern.

## 3 Suspects Held In Barcelona Blast

The Associated Press

BARCELONA — The police have arrested three alleged members of a Basque terrorist group that killed 21 persons in a garage at a Barcelona supermarket in June.

The two men and a woman form part of the Barcelona commando unit of ETA, the Basque separatist organization. ETA is the Basque language acronym for Basque Homeland and Liberty.

The woman was seriously wounded in an exchange of gunfire with the police in a raid at a Barcelona apartment where the three were arrested Saturday, the police said. Members of ETA have been linked to the June 19 car bombing in an underground garage of the Barcelona Hipercor supermarket.

## GERMAN: Some in West Uneasy as the 2 Sides Meet

(Continued from Page 1)

percent to 60 percent, according to a survey in May by the Emnid polling institute. The share that saw it as possible "within 10 years" dropped from 30 percent to less than 10 percent.

"During the last 10 years, we have had a tendency to speak less of the problem of reunification, and more of the idea of detente, of neighborly relations between Germans," said Detlef Kuhn, president of the All-German Institute, which is sponsored by the government.

The evolution in West German thinking has had an important impact in East Germany. As the West Germans increasingly have come to recognize East Germany's permanence, so has the East German Communist leadership grown more confident and therefore more willing to cooperate with the West, according to Western experts.

This growing self-assurance has helped make possible a recent relaxation in East Germany's restrictive human rights policies, accord-

ing to diplomats and other observers there. It is willing to let more of its citizens visit the West, for instance, because most of them return.

East Germany cares how the West views it because it has struggled since its birth to overcome diplomatic isolation stemming from its image as an illegitimate Soviet puppet. West Germany did not open a diplomatic mission in East Berlin until after the 1972 Basic Treaty, which resulted from the Ostpolitik of the former chancellor, Willy Brandt.

"From the day it was founded, East Germany and especially its leadership have had an inferiority complex," a West German government expert on East Germany said. "With this trip they will say: 'Now we are equals, now we are accepted.'"

East Germany, in cooperation with Moscow, also uses the prospect of better inter-German relations as bait to influence West German foreign policy. This strategy

has borne fruit within the last two weeks.

Mr. Kohl pledged on Aug. 26 to scrap 72 antiquated Pershing I-A missiles whose presence was obstructing a U.S.-Soviet arms control agreement. Government sources said an important factor in his decision was the desire to remove an irritant before Mr. Honcker's visit.

Many West Europeans and some Americans fear that Soviet strategy could lead to a historic realignment in central Europe that would fracture the North Atlantic Treaty Organization. Their worry is that Bonn, in order to achieve reunification, would accept a Soviet demand of neutrality.

That supposedly would weaken NATO more than the Warsaw Pact, because West Germany's population is nearly four times as large as East Germany's.

There is much evidence to suggest that Moscow would be among the principal opponents of a reunified Germany. A united Germany invaded the Soviet Union in both world wars.

Even some Germans argue that Germany's most natural, and happiest, status is one of division. They note that treaties that ended the Thirty Years' War and the Napoleonic conflicts deliberately left Germany in scores of pieces to prevent the emergence of a united state that would upset the balance of power.

## AIDS: New Strains

(Continued from Page 1)

one—appropriate to a mutated AIDS virus—the test could fail to detect an infection.

## Researcher Infected

U.S. officials have announced the first known case in which a laboratory worker became infected with the AIDS virus as a result of working with it. The New York Times reported from Washington.

Officials said Friday that the worker was growing the virus in large amounts whose concentrations far exceeded the amount that most lab workers deal with or that the public could be exposed to.

They said tests had identified the virus found in the worker as being identical with the virus the worker was growing in the laboratory. The officials also said that the worker had none of the other known risk factors for contracting AIDS, such as unsafe sexual practices or the use of intravenous drugs.

Dr. Peter J. Fischinger, deputy director of the National Cancer Institute, said, "This is the first known case of a laboratory worker being infected with a virus that was being worked on."

No details about the laboratory or individual involved were included in the brief statement issued by the Public Health Service.

## Soviet Distributes AIDS Information

The Associated Press

MOSCOW — The Soviet Health Ministry has produced five million brochures warning about the spread of the deadly AIDS virus and has begun distributing them to mailboxes in the capital.

The information campaign began over the weekend and results to the increasing seriousness with which the government is tackling AIDS, or acquired immune deficiency syndrome. The virus, which has reached epidemic proportions in some countries, destroys the

body's ability to fight off infections.

A year ago the state-run Soviet news media were describing AIDS as a scourge resulting from the decadent behavior of Westerners and the likely result of clandestine germ warfare research in the United States. The brochure, "What You Need to Know About AIDS," takes a direct and nonpolitical approach to explaining the virus, how it can be contracted and how to avoid exposure.

## South Korea To Try 166 For Violence In Protests

Reuters

SEOUL — A group of 166 workers are to stand trial on charges including arson and destruction of property after violent labor protests at two of South Korea's leading export companies, state prosecutors said Sunday.

The group was among about 300 workers arrested on Friday when thousands of riot policemen raided a shipyard owned by the giant Hyundai conglomerate and a Daewoo auto plant under the government's new hard-line policy toward violent labor protests.

The other arrested workers have either been released or are still being questioned, a prosecution spokesman said.

Prosecutors said the decision to bring the workers to trial signaled the government's determination to crack down on labor violence that officials said threatened President Chun Doo Hwan's pledges of democratic change.

In the last week, thousands of Hyundai workers in the southeastern industrial city of Ulsan briefly seized city hall, set cars on fire, smashed furniture and used fork-lifts and cranes for street protests.

Hundreds of Daewoo workers ransacked the company's auto plant in Incheon, 20 miles southwest of Seoul, the capital.

Labor Ministry officials say more than 3,200 companies have been hit by labor disputes since July when Mr. Chun's government gave in to opposition demands for democratic change after weeks of nationwide street demonstrations against its authoritarian rule.

Hyundai, which produces everything from ships and oil rigs to cars and computers, announced on Saturday an indefinite closure of its main shipyard, where more than 20,000 workers have been striking since Wednesday.

Shipyard spokesmen in Ulsan said the yard planned to cut off power, water and food to the workers' dormitory starting Monday to persuade employees to "go home and have a cooling-off period."

But the striking workers vowed to return on Monday to press their demands for a 14 percent pay rise and the release of arrested union leaders.

On Saturday, Hyundai's auto division closed assembly lines that produce the top-selling Excel compact because of a parts shortage caused by strikes at suppliers.

A spokesman said the company planned to reopen the auto plant on Monday but had enough parts for only one day.

Prime Minister Kim Chung Yul presided over a special cabinet meeting on Saturday to discuss labor unrest and ordered the police to crush any violence.

But the cabinet reaffirmed that peaceful work stoppages should not be suppressed.

## GULF: Kuwaitis to Expel 5 Iranians

(Continued from Page 1)

ing on a CBS television program in Washington.

"We have to defend ourselves," said Nizar Hamdoun, who is leaving his post as Iraqi ambassador to the United States this week to become deputy foreign minister in Baghdad. "We don't have any alternative but to continue fighting."

"I don't see any indication that Iran is moving in the direction of peace," he said.

## Missile Attack in Kuwait

Iran apparently fired another long-range missile on Kuwait early Saturday morning, the third reported attack in a week. The New York Times reported from Cairo, citing reports from Kuwait.

Hostilities in the area have increased markedly since Aug. 30, when Iraq renewed its attacks on oil tankers.

On Saturday, Iraq said its planes had flown 92 combat missions in the previous week, hitting their 14th and 15th Iranian tankers.

The Foreign Ministry undersecretary, Suleiman Majid Shabien, summoned the Iranian chargé d'affaires to inform him that the five diplomats, out of a delegation of seven, had to leave the country in a week.

It is relatively rare in Arab societies, which like to avoid the appearance of conflict, for diplomatic envoys to be expelled.

Egypt and Tunisia, however, have recently expelled Iranian diplomats, charging that they were inciting local fundamentalists. Despite the war, there is still a functioning Iranian embassy in Baghdad.

## CHAD: Libyan Base Is Attacked

(Continued from Page 1)

controlled the whole northern half of Chad.

Libya said it considered France and the United States responsible for the Chadian attack because of their support for Mr. Habré.

JANA said the French ambassador was summoned to the Foreign Ministry in Tripoli and told: "France bears direct responsibility for the aggression on Libyan Arab territory and for mounting tension in the area."

## Philippine Coup Leader Calls for Public Support

By Seth Mydans  
New York Times Service

MANILA — The leader of the Aug. 28 military rebellion, in his first public statement since the failed uprising, has called on Filipinos to support him in his struggle against the government of President Corason C. Aquino.

In a statement telephoned to a radio station from an undisclosed hiding place Saturday, Colonel Gregorio Honasan called opposition to Mrs. Aquino "an initial necessary step" to save the nation from what he described as a drift toward the abuses of the previous president, Ferdinand E. Marcos.

Mrs. Aquino's spokesman, Teodoro Benigno, issued a response calling the rebels "self-appointed messiahs and demagogues" whose uprising had been "a naked power grab by a man using honeyed words to mask the military dictatorship he would set up."

The armed forces chief of staff, General Fidel V. Ramos, calling himself "an older brother to Greg," said in his own radio address that Colonel Honasan should "come back and face the music as a military professional."

[General Ramos has approved a plan to restrain and return to service hundreds of soldiers who took part in the coup attempt, United Press International reported Sunday from Manila.]

[He has ordered the soldiers searching for Colonel Honasan to shoot to kill but has agreed to allow the return to duty of officers and men "least involved" in the mutiny, a military statement said.]

Colonel Honasan, ending his radio remarks on an emotional note, switched from English to the national language, Tagalog, to urge his listeners to "lift up our heads, wipe the tears from our eyes, strengthen our hearts and be true to ourselves, the nation and most of all to God."

Some listeners said they had been deeply affected by that part of the address. The extent of Colonel Honasan's civilian support is unknown, but there have been no indications of a ground swell. He appears still to have considerable support in the military, however.

The colonel said that he had not intended to kill Mrs. Aquino, as she has asserted, and that he had called off his rebellion to halt mounting military casualties.

"We had no intention of harming the president or her family," he said. "It was politically untenable to do so against a leader who is perceived to be popular, sincere and committed, no matter how misguided and incapable she might be."

In his 15-minute radio statement, which the station, DZRH, said had been received on a clear telephone line, apparently from within Manila, Colonel Honasan maintained that the rebels had "held back our punches" and had avoided assaults on pro-government troops.

"It may have been a fatal tactical error on our part but it was a gamble we were prepared to take to



Gregorio Honasan

save more lives," the colonel said. "The mounting casualties on both sides made us decide to withdraw and regroup, but we have made our point," he said, adding that many other military units had supported the mutineers.

He acknowledged that decisive action by the troops of General Ramos had been a factor in the daylong fighting brought on by the rebellion.

The government says that more than 1,100 rebel soldiers were captured or surrendered. Colonel Honasan escaped, as did other officers identified as leaders of the mutiny.

On Saturday, troops at Villamor Air Base, headquarters of the Philippine Air Force, reportedly told Vice President Salvador H. Laurel that they favored an amnesty for the mutineers. A soldier who stood up to voice support for military leaders was said to have been booed by others in the audience of 1,500.

In his radio address, General Ramos acknowledged that "we have a big problem here in the armed forces of the Philippines involving morale and discipline," adding: "We senior commanders are trying to inform all our soldiers what really is happening."

Colonel Honasan said the Aquino government, which he helped install as a leader of the military revolt against the Marcos regime in February 1986, had betrayed his expectations in its military policies and in allowing corruption, nepotism and political considerations to overshadow useful programs.

## 19 Police Recruits Die

Nineteen Filipino paramilitary police recruits died Saturday and nearly 140 others were hospitalized in what the authorities said could have been a mass poisoning. The Associated Press reported from Zamboanga City.

Many of the 225 recruits in a training class fell ill after a 4.5-mile (7-kilometer) jog, military officials said.

First reports said that the recruits apparently had suffered heat strokes, but officials said Sunday that further investigation pointed to poisoning.

They said survivors had reported that an unidentified person offered the recruits water and candies during the run.

"It is my opinion, based on my observation of patients, that a lethal or toxic substance, possibly pesticides, might have been mixed with water and given to the victims," said Lieutenant Colonel Dante Quibang, a physician and deputy commander of the military hospital where most of the recruits were taken.

At a news conference Brigadier General Lorenzo Rapanan, the regional police commander, said there was "strong evidence of sabotage, either by enemies of the state, leftists and extremists" or possibly by applicants who had been rejected for the training course.

## VIETNAM: MIA Deal Nears

(Continued from Page 1)

nary and license private organizations to provide charitable relief. "When the United States government gives its blessing to this, we're saying that they're no longer a pariah," said the official.

Officials also depicted the agreement as an important step in negotiations with Vietnam. "This provides an area of accommodation, of reconciliation," said one official. "If they're smart, they won't try to let it get into any kind of official recognition. If they try to use it as an opportunity and not a weapon, it can be promising."

The United States has been seeking Vietnamese help in determining the fate of more than 2,400 serving men who were listed as missing in action or failed to return from prisoners-of-war camps. Earlier, U.S. officials accused Hanoi of stalling in hopes that the discussions would include the normalization of relations and economic aid.

Hanoi says that more than one million Vietnamese are unaccounted for from the war and that among its remaining problems are war widows, orphans, defoliated forests, destroyed villages and children fathered by U.S. servicemen.

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# Trade Promotion: A Matter of Mutual Interest

LIKE most members of the international community, Czechoslovakia is striving to promote economic cooperation and expand its foreign trade despite the growing complexity of international relations. With foreign trade directly influencing one third of the national income, Czechoslovakia's economic and social development depends on such links. While industrial production depends on imported raw materials, other sectors are geared to exports.

This connection between the national and world economy brings numerous advantages resulting from the international division of labor. However, it also carries the attendant risk of critical developments on the world market, notably in the price or monetary sphere. Czechoslovakia has successfully overcome the majority of these thanks to stable cooperation — developed in a planned, long-term way — with the socialist countries. Its natural orientation toward the immense Soviet Union market is shown by the sheer volume of mutual trade. But Czechoslovakia also actively promotes higher levels of trade with other developed and developing countries.

Unfortunately, political and economic relations with such states are marred by an atmosphere of confrontation and growing expenditure on armaments. This creates a low level of political trust which, in turn, exerts a negative influence on virtually every other field. Czechoslovakia therefore regards the lessening of tension and restoration of international confidence as the primary concern of the world community. The common aim must be peace, a prerequisite for resolving urgent global problems. Such problems, naturally, include the development of a global economy.

The high indebtedness of developing countries, financial instability and monetary relations are among the modern phenomena that complicate international economic relations. The connection between restored confidence and overall development is indisputable. A broad program of disarmament will do more than safeguard international security and confidence; it will release resources for global economic development.

In Czechoslovakia's view, the numerous political and social consequences of the indebtedness of the developing countries make it one of the gravest problems on the international scene. Resolving the issue is clearly related to other urgent issues such as restructuring international economic relations on a just, democratic basis. For instance, Czechoslovakian trade with developed market-economy countries would be enhanced by the removal of protectionist measures and restrictive bans on imports.

Czechoslovakia's willingness to promote worldwide cooperation has been reaffirmed by a number of recent political and economic decisions. The same principles are also embodied within the restructured framework of Czechoslovakia's internal economic mechanism. The aim is to raise the efficacy of the national economy and stimulate the development of mutually beneficial cooperation with partners throughout the world.

The Czechoslovak economy can only develop successfully if its trend towards intensification is strengthened and accelerated. By so doing, productivity will increase; the scientific and technical level will improve; and the progressive elements of a restructured economic mechanism will assert themselves.

The current program of modernization and reconstruction presupposes active support of all factors which increase effective production. They, in turn, will be reflected

cal products and timber and replace them by other items. Structural reshaping, while changing the assortment, will allow the existing share of machinery and equipment to be maintained.

Foreign trade prospects are naturally linked to further economic, scientific and technical cooperation with CMEA members. This is based on very solid foundations and underpinned by bilateral as well as multilateral long-range programs in addition to long-term trade agreements. Apart from the traditional forms of cooperative trading, higher forms — such as direct ties, scientific research groupings, joint investments and industrial cooperation — will increasingly characterize relations with the Soviet Union and other CMEA members. They will become the principal means of economic cooperation as conventional ways of trading encounter commodity and quantitative barriers. This particularly applies to re-

countries are due to increase 40-50 percent by stepping up the penetration of developed markets. Conversely, Czechoslovakia will increase its imports of new technology. Apart from traditional trading partners — the Federal Republic of Germany and Austria — there should also be a more rational approach toward cooperation with Finland, France, Italy, Denmark, Norway, Belgium and the Netherlands. Dynamic trade development should also benefit from talks with the EEC. Czechoslovakia will deepen the contacts between individual firms and cooperate with Western concerns on the principle of mutual respect and gain.

Trade with the United States, on the other hand, is limited by unfavorable commercial-political conditions. No bilateral contractual basis exists and, in view of the fact that in 1951 Czechoslovakia was denied its most-favored-nation status, exports to the U.S. are subject to an autonomous customs tariff with high customs charges. Moreover, Czechoslovak organizations are prohibited from receiving certain credits and Government guarantees. Czechoslovakia's export structure is thus restricted to those items that can bear considerable customs charges and still reach acceptable levels of effectiveness. The restrictions on U.S. exports of advanced technology and equipment, listed by COCOM, also contribute to the losses that run into scores of millions of dollars annually. Czechoslovakia will continue to make concerted efforts toward restoring most-favored-nation status and concluding a trade agreement to establish the level of economic contact that it already maintains with the majority of the world.

In relations with developed capitalist states, Czechoslovakia will concentrate on stepping up the part played by machinery, equipment and transportation in overall exports. The existing share of this group is approximately 12 percent, disproportionately low in comparison with their exports to the socialist countries (60 percent) and developing countries (70 percent). In the future, these will no longer be compensated for by higher exports of raw materi-

als or consumer goods, so this sector will determine the dynamic of future export expansion. Industrial cooperation with non-socialist countries is still at a low level although, the number of individual projects has substantially increased. Currently numbering about 140, their output in terms of exports remains very low; confirmation that they still only touch the fringe of Czechoslovakia's manufacturing potential. Much the same concern applies to the introduction and expansion of higher forms of industrial cooperation and joint ventures.

Long-standing, systematic cooperation between the chemical industry and Western chemical concerns has demonstrated the sales opportunities on world markets even at times of economic recession. But mutually beneficial cooperation is still not used enough by other branches of the national economy, above all by the engineering industry. Czechoslovakia is currently moving toward conceptual, coordinated and longer-term cooperation with selected firms which are long-standing trading partners and have an interest in promoting such cooperation as well as a sense of the realities in a divided world. Firms in West Germany, the Netherlands, Italy, France, Great Britain and Switzerland are currently involved. Strengthening the long-range element of cooperation and anchoring various kinds of cooperation in contractual form will contribute to a deeper mutual understanding between them and the Czechoslovak foreign trade organizations.

Improving the internal economic mechanism should create a positive change in the quality, technical standards and levels of service, as well as a more flexible approach to innovation. These tasks are based on a realistic estimate of the market situation as well as the results of Czechoslovakia's export drive. Seen from this viewpoint, the consistent implementation of long-term export-oriented programs is very important and applicable throughout the present Plan.

This year's results are eagerly awaited. Like other countries in the socialist community, the Czechoslovak Socialist Republic is actively

seeking to harmonize the planned economy with perceived market needs, to encourage worker participation



Bohumil Urban

in management and reach better results. The Government is determined to improve the quality of work, aided by new economic rules and the verification of new management forms. Certain of these measures were specifically adopted

to deepen cooperation between foreign trade organizations and industry.

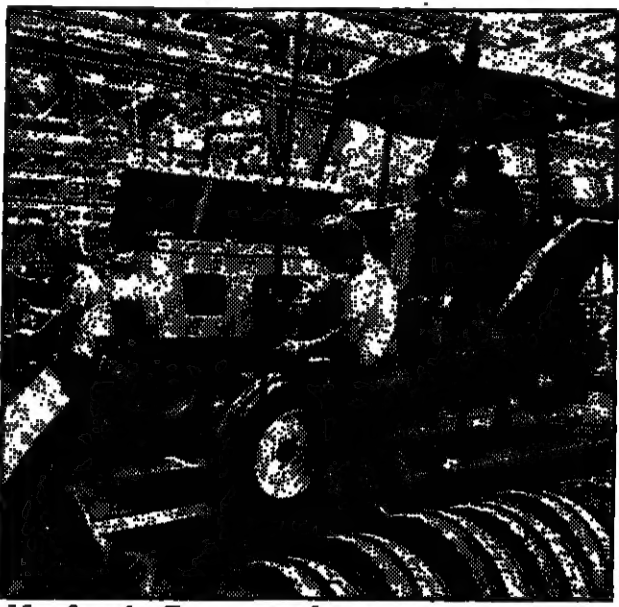
For example, the next stage of reorganization should preserve the advantages of the existing system while leading to a mixed model with specialized foreign trade organizations acting as non-state socialist organizations. This would obviously bring commercial and cost advantages. Similarly, strengthening the holding companies so that manufacturing organizations — as shareholders — exert a greater influence on their management provides motivation and material advantage.

Major manufacturing organizations will be able to conduct foreign trade, primarily in the export field, leading to increased export performance and more effective commercial operation. The manufacturing and economic organizations are responsible for scientific, technical and industrial cooperation, product specialization

and joint production projects at home and abroad, including direct ties with CMEA members. Such schemes can call on Czechoslovakia's foreign trade organizations to prepare the relevant contracts.

Fine-tuning the mechanisms of foreign trade should strengthen the long-term economic independence and responsibility of manufacturing organizations. The goal is clear: to increase the adaptability of Czechoslovak enterprises to meet the changing demands of foreign markets; to speed up the production of export goods; and to rationalize the structure and effectiveness of foreign cooperation. Czechoslovakia is thus clearly interested in cooperation that would be economically attractive to both sides. It has sufficient partners for such cooperation in the world and expects both their number and quality to increase.

— Bohumil Urban, Czechoslovak Minister of Foreign Trade



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by improved export performance and the consolidation of Czechoslovakia's role in the international division of labor.

Foreign trade directly reflects the uncompromising demands of the world market. Export performance can be improved by better commercial activity and organization but — more importantly — by offering a variety of new products that correspond to international needs. The value that foreign markets place on Czechoslovakia's products is crucial to trade relations. It is an expression of the overall potential of the country, of the capabilities of its inhabitants.

The fundamental aims and tasks of foreign trade under the present Five-Year Plan can be summed up simply. The lead of the export growth rate over the growth of the national income will continue. The annual growth rate of roughly 3-4 percent means that, by 1990, Czechoslovakia must increase its exports by 15-20 percent and its imports by 14-18 percent.

Greater effectiveness can be achieved by modifying the structure of those exports. The aim is to reduce the export of fuels, oil products, metallurgi-

lations with the Soviet Union, but also to those with the German Democratic Republic, Poland, Hungary and Bulgaria.

While maintaining a positive balance of trade, Czechoslovak exports to the non-socialist countries are due to grow by over 14 percent by the end of the Five-Year Plan, and imports are due to rise over 15 percent. Total exports of machinery to the non-socialist

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# Herald Tribune

Published With The New York Times and The Washington Post

## Between Poor and Rich

Ethiopia remains the world's poorest country. That is not astonishing, given the harsh land, the incompetent Marxist government and the entrenched civil war. Its GNP per capita runs at about \$110 a year, compared with \$18,250 currently in the United States. The next-poorest country is Bangladesh, which is better governed but desperately overpopulated.

The rankings come from the World Bank, which does annual estimates of GNP and other illuminating numbers for most of the world's countries. The purpose is not merely to suggest the disparity between rich and poor, which is pretty obvious, but to provide some reliable sense of the enormous variety of conditions in between, and of the rate at which things are changing.

At precisely the midpoint of the list stands Jamaica, with half the countries richer than it and half poorer. Living very close to the United States and the inescapable comparisons, Jamaica thinks of itself as poor. In fact it is middle-class. Life expectancy, a good measure of living conditions in general, is 73 years there — far longer than in any but three or four other Third World countries and very close to the average expectancy of 76 years in the wealthy industrial democracies. Part of the explanation is Jamaica's school system, and most of its children of high school age are actually in school. Thanks to this high degree of literacy, Ja-

maicans have more in common with Americans, in every respect but income, than the unfortunate people of Ethiopia or Bangladesh have in common with them.

Other countries clustered around the median on the World Bank's list are Botswana, Paraguay, Peru and Turkey — a very mixed group. Botswana is one of the great success stories of development economics. At independence 21 years ago, it had one of the lowest incomes in the world, as most of the black African countries still have. Today, despite drought and a vulnerable location on South Africa's border, it is halfway up the World Bank's income ladder. In contrast, Paraguay stagnates under the rule of General Alfredo Stroessner, its president for the past 37 years. Peru, deeply divided by race, geography and social class, devotes itself to a kind of populist politics that has proved to be death to economic growth. Turkey, on the other hand, is growing steadily under a model plan for dealing with foreign debts and inflation. None of these middle-class countries is rich, but none, by the standards of the planet as a whole, can be called poor.

The World Bank has argued for years that to divide the world into two zones, the developed and the underdeveloped, is misleading as well as patronizing. The gradations are infinite, and there are no longer clearly defined lines among the categories. — THE WASHINGTON POST.

## Fewer but Longer Lives

The number of babies born in the United States dropped last year, but those babies are likely to live longer than any previous year's crop. Both the birth and the death rates declined in 1986. The National Center for Health Statistics has published the numbers for last year, the most significant of which is the fertility rate — the number of babies born in relation to the number of women of childbearing age. It was the lowest in American history.

The life expectancy for American children born last year was 74.9 years. That gives each of them an even chance of seeing the year 2061 — and a bit more, since that life expectancy is based on 1986's death rates, which are likely to keep falling through the children's long lives.

But in most other developed countries people live longer. According to a Census Bureau estimate, the longest lived are the Swiss at nearly 78 years — no surprise, with all that fresh mountain air and those high incomes. But lives are very nearly as long in Hong Kong, which has neither. Japan also ranks almost as high, as do some of the Scandinavian countries. Life expectancy in Canada is more than two years longer than in the United States, a remarkable difference between two countries whose societies are in many ways similar. Spaniards, Greeks and Italians, although less wealthy, also live significantly longer than Americans.

Infant mortality has been steadily declining in the United States, but, again, it is still much higher than in most other developed countries. That statistic reflects not only medical resources but also a society's ability to organize itself to make the most of them — an American failing. In 1986, of every thousand live births, 10.4 infants died in Japan; the current rate is 5.8 infant deaths per thousand, hardly more than half as many. Canada's rate is 7.5 infant deaths. In Ireland, a very poor country by American standards, the rate is 7.7.

But it is the decline in fertility rates that casts the longest shadow forward. It will strongly influence not only Social Security taxes two decades from now but the whole breadth of national politics and culture. The very high fertility rates of the 1950s swung the country, in the late 1960s, into an infatuation with youthful music, clothes and interests. While those years, like the children, developed habits that required correction, they had much charm. It would be melancholy to think that the mood might slide to the other extreme two decades from now, turning Americans into a population gripped by the concerns of the elderly — medical care, stability and security. Fortunately, despite the trends, births still outnumber deaths by the substantial ratio of seven to four in the United States. — THE WASHINGTON POST.

## Help Save Rain Forests

Imagine that there was a way to preserve endangered environments like the Amazon rain forest, one that also eased the foreign debt burden blocking Third World development. Environmentalists and development proponents, often at odds, would cheer. Thanks to the Frank Weeden Foundation of Connecticut, there is no need to imagine. It has provided a way to buy, in effect, bonds for ecology.

In July, Conservation International, a nonprofit U.S. environmental group, used a \$100,000 Weeden grant to buy discounted Bolivian debt certificates. Then it swapped these with the Bolivian government in exchange for its agreement to expand the Beni Biosphere Reserve. The reserve, in Bolivia's Amazon basin, is home to 13 species of endangered plants and animals, more than 500 different varieties of birds and more species of trees than in all North America.

Last month Costa Rica launched a more systematic program, run through its Ministry of Natural Resources. Donors are being solicited to buy \$5.4 million of outstanding debt, to be recycled through the central bank for land acquisition, park management and reforestation. For Costa Rica, reforestation also makes possible future export

earnings from harvests of precious woods. The Third World's low credit ratings these days works to multiply the value of an environmentally linked donation. Bankers' jitters about possible debt moratoriums and defaults have driven debt prices well below face value. Dollars used to buy up debt certificates thus yield far more than their normal equivalent in local funds. In the case of Costa Rica, a donation of \$250,000 would pay for environmental bonds worth \$500,000.

Swaps like these can meet only a fraction of outstanding Third World debt. Costa Rica's program aims to convert a little more than 10 percent of its total debt burden. Bolivia's about 15 percent. But the bonds give interested donors a way to help conquer two urgent Third World problems.

Governments and multinational institutions could play an even greater role. Senators Alfonse D'Amato of New York and Robert Kasten of Wisconsin and Representatives John Porter of Illinois and David Obey of Wisconsin are sponsoring legislation that would direct the U.S. representative at the World Bank to propose an environmentally linked debt relief program through the bank. The idea merits congressional attention and support. — THE NEW YORK TIMES.

## Other Comment

### On and On Until You Collapse

I was told by one of the World Health Organization's "Modern Western man is too inactive. He just doesn't do enough. The human body has been created for a certain amount of physical activity. Normal life means the intake of a certain amount of food which must be balanced with the output of a certain amount of energy."

"We are so inactive," continued the WHO expert, "that we cannot eat little bread per day is neither here nor there. But two extra pieces of bread may make a great difference. . . . And remember: One hundred extra and superfluous calories per day means 36,500 calories per year."

I asked him what should a modern executive do? What sort of life should he lead?

"If he is used to a sporting life, including

jogging, he should go on. If not, he should do something. Walking, swimming, even—provided his heart is all right—climbing stairs will do good. He must lead a more physical life than most of them do."

He stopped for a moment. "But it must be remembered that exercise has no lasting effect. It does you no retrospective good. If you stop, you are no better off than someone who has never done it. So you may as well save yourself the trouble. On the other hand, if you enjoy it and want to derive real benefit, go on and on and on. Until you collapse."

"I realize that this is a joke," he said gloomily. "The point is that one is more likely to collapse if one does nothing than if one leads an active life, in moderation."

— Excerpted by The Observer (London) from "The Riches of the Poor: A Journey Round the World Health Organization" by George Mikos, who died recently aged 73.

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## The Trouble At NASA Is Incurable

By T.A. Heppenheimer

LOS ANGELES — Astronaut Sally Ride, heading a task force on future efforts for the space program, has called for a lunar base as a step toward the ultimate goal: exploration and settlement of Mars. Her report comes less than a year after that of the President's National Commission on Space, which called for similarly far-reaching initiatives.

Meanwhile, the space shuttle sits in its hangar and probably will not fly again until after the elections in 1988. Even then it will carry out only half the missions per year that had been anticipated.

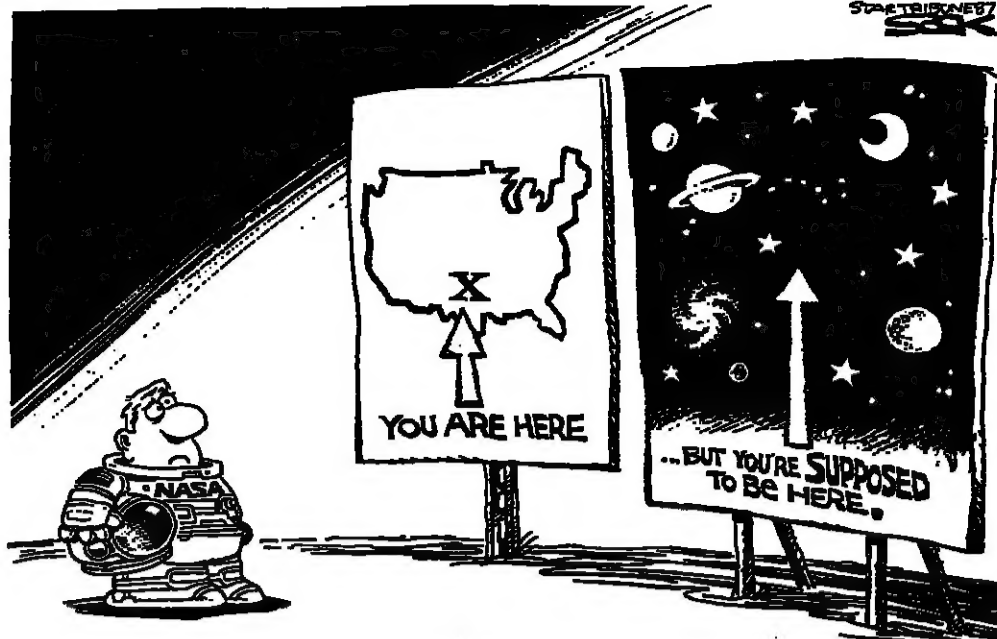
The space station project has ballooned in cost from \$8 billion in 1984 to \$32 billion today, with no clear view in sight as to just what it will do or who, except for the National Aeronautics and Space Administration, wants it.

Valuable satellites sit on the ground for the lack of a ride, with no launch dates in sight. And through it all, NASA's budget continues to increase, with \$12.2 billion to be requested in fiscal 1989.

What's happening here? Why, amid failure and fecklessness, do commissions continue to call for bold new goals, with presidential approval? It is easy, too easy, to say that NASA is simply a technological bodge of full of leaf-rakers with engineering degrees.

Certainly no one can doubt that it exists largely to boost the local economies of Brevard County in Florida (Cape Canaveral), Madison County in Alabama (Marshall Space Center) and Harris County in Texas (Johnson Space Center). But the significance of NASA runs deeper.

That, of course, is a reasonable description of the great tyrannies of our age. We remember them for their cruelties, but their proponents saw their work differently. They believed



NASA is the most vivid embodiment of a style of government that characterizes our century. This style features two elements: master planning and state power. The master plan is the work of a great guru: Chairman Mao, Karl Marx, Werner von Braun. It amounts to a blueprint for the future, to draw on the technological forces of the age. And this blueprint, once fulfilled, will make life exciting, heroic, purposeful.

To implement the plan, there are the organs of state power. They will collect the taxes, organize the agencies and bureaucracies and carry forward the great work. They will overcome all obstacles, technical or political. They will embody the idea of History and usher in the future on the wings of the Plan.

That, of course, is a reasonable description of the great tyrannies of our age. We remember them for their cruelties, but their proponents saw their work differently. They believed

that by sudden and dramatic acts they could harness the technology of our century, overturn old injustices and wrongs, and usher in a new age. The great totalitarianisms have been founded on the belief that the means existed whereby governments could shape the future, giving it a character that was to be exciting, heroic, suffused with a transcendent vision.

In the United States, the Constitution and the limits on federal power prevented those attitudes from subjecting Americans to a tyranny based on mass enthusiasm. What Americans got instead was activist government. They were spared the prison camps and police informers with which dictators crush those who dare to challenge the master plans. But they were not spared the plans, the taxes, the bureaucracies, the agencies — and the ultimate failure of the hope that the future could be designed by experts in Washington.

Activist government as we know it

begin with John Kennedy. It is no accident that, barely four months into office, he called for America to land a man on the moon before 1970. That was a clear-cut goal that involved only technical obstacles. It would demonstrate the method and validate the hope that other NASA-like agencies would come forth to direct the nation into the future.

Then, when Americans reached the moon, the catchphrase of the day was, "If we can land a man on the moon, why can't we cure poverty or rebuild the cities?" It was not just a question; it was a political agenda. The Environmental Protection Agency, the Department of Transportation, the Council of Economic Advisers, the Department of Health, Education and Welfare, even the Department of Justice were all part of this style of government. Like NASA, all tried to combine organization, expertise and tax dollars to guide the nation ahead.

That is why NASA has been and remains important. But its present impotence stands as a rebuke to activist government. Its failure suggests that people might soon say, "If we can't even launch a space shuttle, why should we think government can do anything right?" There are powerful interests throughout the government, as well as among its beneficiaries, who do not want this to happen.

That is why NASA will receive more money. That is why it will continue to pursue such efforts as the space station — no matter how costly, no matter that only NASA wants it. That is why commissions like Sally Ride's will continue to call for bold new initiatives.

For the alternative is to admit that NASA, the centerpiece of activist government, has failed. That is too much for people to accept. Twelve billion dollars, the cost of the annual NASA budget, is a cheap price to pay if it can stave off such a fate.

The writer is an associate fellow of the American Institute of Aeronautics and Astronautics. He contributed this column to the Los Angeles Times.

## What NASA Has Done Deserves Remembering

HISTORY is time, and time has a way of flattening out. Peaks and valleys very quickly become plains; complex matters become simpler and simpler. All of this came home quite vividly recently when astronaut Sally Ride delivered a report to NASA on future goals of America's space program. She presented an interesting menu of items, but in the process she inadvertently ran roughshod over history.

The report quoted an earlier report by the National Commission on Space expressing "a strong wish that our next goal in space activity not be another Apollo — a one-shot foray or a political stunt."

The Apollo program could be called a lot of things, but "a one-shot foray" and "a stunt" it was not. Put aside judgments of the Kennedy decision to go to the moon and its moment in history: a Cold War environment, Soviet competition, the Sputnik embarrassment. Whatever its genesis, the achievement of putting men on the moon and returning them safely to Earth is tarnished when quick, flip phrases are uttered by those who don't know or understand. Or have forgotten.

Think what it took to accomplish seven manned landings on the moon: an industrial infrastructure of 25,000 companies, many of which had not previously existed; technical, engineering and scientific programs on college campuses and in private labs; breakthroughs in propulsion, in tracking and data acquisition, in human engineering and medicine; a government management cap-

ability (led by James Webb, who is finally being recognized as a great program manager); and new technologies in materials, electronics and computers.

NASA preached that Apollo was not a singular event but an effort to develop a total capability that would enable America to do anything in space that it wished.

NASA is best known for its manned Mercury, Gemini and Apollo programs, but it also sent unmanned spacecraft to the planets, observed the stars, pioneered new natural research, introduced weather and navigation by satellite and launched the communication satellite era.

In recalling the excitement of Neil Armstrong's first step on the moon, we forget names like Explorer, Viking, Mariner, Pioneer, Nimbus, Ranger, Surveyor, Voyager, Telesat, Syncom, Relay, Tiros and Skylab. In recalling Alan Shepard, John Glenn, Frank Borman, Buzz Aldrin and Mike Collins, we forget William Pickering, Homer Newell, Robert Jastrow and Hugh Dryden.

Cumulatively these projects, these people and the capabilities they nurtured enable us today to consider whether to establish a lunar base or fly men to Mars. Simply put, Apollo gave us a new way of thinking about ourselves, our universe and our place in that universe.

"A one-shot foray," a "stunt"? Clearly no. — Julian Scheer, who was NASA's assistant administrator for public affairs from 1962 to 1971 and is now senior vice president of LTV Corporation in Dallas, writing in The Washington Post.

## If Deterrence Is Your Creed, You Need a Threat

By Michael McCwire

WASHINGTON — The leaders of the United States and the Soviet Union are moving rapidly to an agreement on nuclear forces in Europe that is absurd — if one believes NATO assumptions about Soviet aggressive intentions.

The evidence suggests, however, that it is not the potential agreement that is faulty but the NATO assumptions — specifically that the Soviets are likely to invade Europe. These fears remain grounded in Western thinking of the 1948-1953 period, while Soviet thinking has evolved.

After World War II, the Soviets assumed that major conflict with

mounting that Moscow decided that such a conflict might be contained.

There is the new structure of Soviet theater commands and the new emphasis in Soviet military writing on strategic defensive operations. There is also the new Soviet approach to conventional arms control, including proposals for sweeping reductions in the two sides' forces.

Such a change in doctrine implies more than the possibility of the Soviets adopting a defensive posture in Europe. For some 70 years, a central element of Russian defense policy has

ing political subversion and Soviet ground forces. The Soviets faced the U.S. atomic monopoly and feared a preventive attack on their nuclear development facilities, the "rollback" of their presence in Eastern Europe and a capitalist attempt to unsettle Communists from power in Moscow. Both sides feared war.

After Stalin's death, Soviet doctrine and perceptions of threat evolved. In 1956 it was decreed that war between the two social systems was no longer fatalistically inevitable. By 1960 the likelihood of a premeditated attack by the West had been discounted, but the danger of war remained inherent in the nature of international relations. It was inevitable that a world war would be nuclear and involve massive strikes on Russia. And in the early 1980s it was decided that a major conflict with the United States outside Europe might be contained rather than inevitably escalate to world war.

This doctrinal evolution relaxed the military requirements for Soviet national security. It enabled the emergence of "new political thinking" that emphasized the nonmilitary aspects of security and stressed the dangers of the present situation.

Western military thinking has not evolved in the same way, and official perceptions of the Soviet threat remain frozen in the mold of 1948-1953. This is partly due to the problem of reaching agreement in a democratic coalition, but the main reason is the concept of deterrence that has formed the core of Western defense policy since the early 1950s.

Central to a policy of deterrence is the assumption that one's opponent is tempted to take the action being deterred — in this case, expansion into Western Europe. Belief in a Soviet urge for aggression became a cornerstone of Western policy, an assumption that dispensed with the need to consider how such action would further Soviet interests or to evaluate Soviet intentions against the evidence of their behavior. Soviet military capabilities and the posture of Soviet forces facing Europe was sufficient proof of an expansionist urge.

The West ignored the fact that this evidence was also compatible with the need to take over Western Europe in the event of war provoked by other factors. If Moscow was to avoid ultimate defeat, the distinction is vital.

In one case the threat to NATO is Soviet aggression which, if not deterred, will lead to war. In the other case, the threat is war that, if not avoided, will lead to a Soviet inva-

sion. The appropriate response to one set of threat perceptions is wholly inappropriate to the other.

This was demonstrated when NATO adopted "flexible response" in 1967, a concept intended to enhance deterrence. Instead it prompted the Soviet conventional buildup in the 1970s that so alarmed NATO. Similarly, the 1983 deployment of Pershing-2 and cruise missiles to Europe was meant to reinforce deterrence, but many in the West saw it as increasing the danger of war.

Of course, Western ambivalence about arms control has other roots. America acquired strategic superiority in World War II and has been understandably reluctant to give it up. America has consistently rejected arms limitations in areas where advanced technology or asymmetries in force structure give it an advantage. The Strategic Defense Initiative is the latest variation on this theme.

Contradictory perceptions of threat account for much of NATO's muddled response to Mikhail Gorbachev's arms control initiatives. If the Soviets are set on military expansion, arms control negotiations play into their hands, as Hitler taught the world in 1938. But if the danger stems from the military capabilities ranged on either side, arms limitations and reductions offer a way out of the predicament.

The writer, a senior fellow at the Brookings Institution, is author of "Military Objectives in Soviet Foreign Policy." He contributed this column to The Washington Post.

## The Lady Across The Street

By A.M. Rosenthal

NEW YORK — The teacher and I live in the same neighborhood. I live in the high-rise on the corner and have a splendid vista of lights and spires, from the 30th floor. She lives directly across the street and sees dogs, the gutter and the shoes of passers-by, from the patch of sidewalk that is her home.

She moved there about a year ago. She is in her 40s, is very thin and has large eyes. Sometimes she talks loudly about teaching in New Jersey. Sometimes, terrified by unnameable demons inside, she rises and screams. Mostly she just lies huddled.

People give food from time to time, but not money, because creatures walk the streets stealing from the mad souls who lie in them. Sometimes she talks to people who bend over. Mostly she wants to be left alone. Sometimes she defecates where she lies.

A year, a full year.

She does not know it yet, but one day, possibly Oct. 1, she will be taken away and put into a hospital. It is better that she does not know it because when anybody talks to her about shelter, she gets very angry and shouts.

She will be fed, cleaned and given medicine and psychiatric help. Perhaps she will suffer always, but at least she will have received some succor. At last the city has decided it must try to do something about those who lie huddled in the streets, wrapped in their agonies of illness of the mind.

Actually it was not an abstract called "the city," but an individual, Edward Koch, the mayor. He saw and heard this woman, and some others, and decided that the meaning of the law had to be changed.

Until now, nobody could be removed from the streets who was not in "imminent" danger to himself or others. There are civil libertarians who insist on that interpretation of the law out of principle. Also, it allowed the city, already overburdened by trying to care for the homeless sane, to assuage its guilt at ignoring the street-dwellers who scream in their sleep.

The mayor decided that taking away from the mad was the true madness. He announced a policy of taking in for care those who were in danger of harming themselves in the "reasonably foreseeable future."

To him that means people who lie huddled in the street month after month, shivering in the winter without coats, shivering in the summer with tortures of the mind, unable to feed themselves or keep unsold.

Starting on Oct. 1, 28 more beds will be set aside in a special Bellevue Hospital unit. Street teams including psychiatric workers will decide who must be taken from the street. At the hospital, more doctors and legal counsel will be involved. There will be a maximum stay of three weeks and then patients can be moved to state hospitals.

That is the plan, and without even the usual one-day grace period it was attacked hard. People who devote their lives to the homeless said the mayor's effort was so small as to be meaningless and ignored the magnitude of the problem. State officials said the city's emergency rooms were already overcrowded, how could more people be squeezed in?

These are reasonable complaints, and they have been brought up for years, ever since the 1960s, when New York State, and states around the nation, dumped hundreds of thousands of the mentally ill on the streets.

Tranquilizers made the dumping possible. And civil libertarians had plenty of examples of cruel and unfair institutionalization. Also, it saved lots and lots of state money, which was nice for state governments.

But mayors around America are now confronted with great numbers of people who indeed should be institutionalized. And the cities do not have the beds or the doctors or the money to deal with them.

For the mayor's critics seem to be saying that if you cannot do a great deal, do nothing. Down at City Hall, the mayor says this is just plain crazy. If he can carry out his plan, 500 suffering people a year will get help. Something is something, maybe this will force more money from the state. In any case, the Koch definition of the law is far more sensible and decent than the do-nothing interpretation.

But Ed Koch will have to pay attention to this problem himself. He does not really provide the best beds and medical care, and it all just lies around in the wind, without any care about reasons and excuses. He has made it his problem and his job; he will have to report to himself.

At least the mayor has as facing one truth about New York: If your leg is broken, the city will take you away; if your mind is broken, you just lie there forever.

The New York Times

## IN OUR PAGES, 75 AND 50 YEARS AGO

### 1912: Ideas on Women

PARIS — In an interview on the tendency of fashion next year, Mr. J.M. Gidding, the prestigious fashion buyer, said: "During my tour of the principal Paris shops to buy models for New York, I found that the tight-fitting model for skirts remains. Dame Fashion will still see to it that women do not take too long a step."

NEW YORK — Society women are poor risks for insurance, according to the consensus of the delegates attending the annual Congress of American Life Insurance Companies in Chicago. The president of the Congress declared, "Women who live the so-called 'high-society' life eat and drink such indigestible things that their systems are soon wrecked, and they go by a quick route to the grave." But women who are approaching social independence, say the delegates, are being considered equally good risks as men.

### 1937: Nuremberg Glory

NUREMBERG — Although Christianity is now engaged, in the opinion of hundreds of German pastors and priests, in a life and death struggle with the Nazis, the bells of all Nuremberg churches pealed this afternoon (Sept. 6) when Adolf Hitler entered this city to open the fifth annual congress of the National Socialist Party since he has become Chancellor of the Reich. Exactly 10 years ago, Herr Hitler, an apparently discredited politician, with the collapse of the Munich pact still fresh in men's memories, held his first conference in Nuremberg amid the jeering of his political foes in a beaten and humiliated Germany. Now he rode triumphantly along swastika-decorated streets, giving the salute against him, into "the most German of all German cities" as the unchallenged dictator of a great power.

FROM AIR CONDITIONING  
MONDAY, SEPTEMBER 7, 1987  
EUROBONDS

In Unanswered Pr  
for Strength in the  
By JONATHAN ENGL  
PARIS — The last thing one expects  
market is a rise in the higher interest  
what many market participants were  
last week in a bid to get that a bold  
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with the weakening U.S. economy the  
shift recent outflow of traders and anal  
and for the dollar and help bond pr

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the Fed  
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The market has recently taken a  
David Kahn, head of bond syndi  
managers, Harris, in London. "I  
a little to late  
New York, the dollar rose to 1.970 E  
on Thursday, and to 1.920 on Fri  
mark 100 yen to 94.5, a full per  
up to 0.4 percent from 94.1, a full  
and mid-July. Some analysts are predi  
the end of December.

The bond market was disappointed by  
David Morrison, chief international ec  
international in London, noting that  
some currency strength before the U.S.  
for July, due on Friday. A deficit  
is expected, compared with \$15.7 bil  
ing the recent dollar and bond bul

UNLESS the dollar rises by about 1  
Morrison contends. "It's going to be  
that figure." He expects a \$17 billion  
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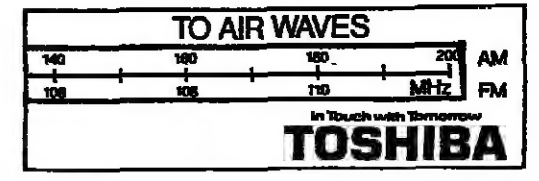
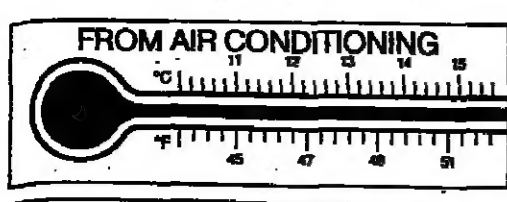
"The dollar is the key, and the dollar is u  
David Kahn, chief financial economist  
Government Securities Inc. in Chicago. "Th  
opinion was purely dollar-related," esp  
figure looming. He is forecasting a \$1  
after adjusting for seasonal variations  
recent figures don't do. But, he added, the  
more to slow the decline of the dollar.  
If the dollar's weakness had not spilled  
states, he said, the central bank might  
step and merely continued to push u  
the reserves that banks lend each oth  
For their part, if bond investors thoug  
dollar rates would slow down the econo  
dollar rate, he said. That has not happ  
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large markets appreciably." Mr. Kahn sa  
when the Fed last raised the discoun  
the same way to the half-point rise.

See EURO BONDS, Page

## Currency Ra

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MONDAY, SEPTEMBER 7, 1987

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EUROBONDS

An Unanswered Prayer  
For Strength in the Dollar

By JONATHAN ENGEL

PARIS — The last thing one expects to hear in the bond market is a prayer for higher interest rates. But that's just what many market participants were fervently offering last week, in hopes that a bold rate increase by the Federal Reserve would bolster the dollar.

With the weakening U.S. currency the main cause of the bond market's recent collapse, traders and analysts argued that such timely aid for the dollar would help bond prices more than hurt them.

But after an otherwise quiet week in the Eurobond market, they're still waiting for an answer to their prayers. The Fed's half-point increase to a 6 percent discount rate on Friday ultimately nudged the dollar higher, but had little impact on the bearish views many bond specialists hold toward the currency as a result of the huge U.S. trade deficit.

The market sees the Fed rate increase as 'too little, too late,' a trader said.

Some contend that if the Fed wants to strengthen the dollar as well as to squeeze inflationary expectations out of the financial markets, then its monetary tightening has just begun. Expect a 6.5 to 7 percent discount rate by January, they say. Others assert that the central bank was signaling that it did not want to reverse the dollar's decline, only to moderate it. Either way, the Fed's action left long-term bond investors dissatisfied.

"The market has basically either taken it as neutral to negative," said Dick Kurth, head of bond syndication and trading at Manufacturers Hanover Ltd. in London. "People were saying it was too little, too late."

In New York, the dollar rose to 1.7970 Deutsche marks from 1.7910 DM on Thursday, and to 142.00 yen after 140.75. The benchmark 30-year U.S. Treasury bond fell 3/32, to edge the yield up to 9.46 percent from 9.45, a full percentage point higher than in mid-July. Some analysts are predicting a 10 percent yield by the end of December.

The bond market was disappointed by the dollar response," said David Morrison, chief international economist at Goldman Sachs International in London, noting that investors were hoping to see some currency strengthening before the U.S. merchandise trade figures for July, due on Friday. A deficit of \$15 billion to \$17 billion is expected, compared with \$15.7 billion in June, a figure that triggered the recent dollar and bond-market plunge.

UNLESS the dollar rises by about 1 or 2 pennings, Mr. Morrison contends, "it's going to be very vulnerable to that figure." He expects a \$17 billion deficit. But, he said, the rate rise will have a more lasting benefit, by demonstrating the inflation-fighting intentions of the new Federal Reserve Board chairman.

"It lets the world financial markets know that Alan Greenspan will not do anything if something needs to be done," Mr. Morrison said. "From a longer-term perspective it establishes some kind of credibility that he's not just a Reagan poodle."

In its statement accompanying the rate increase, the Fed stressed the need to contain "potential inflationary pressures." Since the latest indicators show inflation under control, analysts decided that comment largely as an overriding concern for the dollar.

True, there is the clear inflationary impact of a weaker currency boosting prices of sought-after imports. But the Fed, they said, "was also worried that the foreign investors vital to the recent strength of the U.S. securities market, would lose confidence in dollar-denominated assets."

"The dollar is the key and the dollar is under pressure," said Samuel D. Kahan, chief financial economist at Kleinwort Benson Government Securities Inc. in Chicago. "The move by the Fed in my opinion was purely dollar-related," especially with the July trade figure looming. He is forecasting a \$1 billion deterioration, even after adjusting for seasonal variations, something the government figures don't do. But, he added, the higher discount rate "is more to slow the decline" of the dollar, not arrest it.

If the dollar's weakness had not spilled over to the securities markets, he said, the central bank might have taken a less-decisive step and merely continued to push up the rate for federal funds, the reserves that banks lend each other overnight.

For their part, if bond investors thought the increases in U.S. interest rates would slow down the economy and inflation, then long-term bond yields would have eased, narrowing the gap with short-term rates, he said. That has not happened, because "it was not clear that this move in the discount rate will be enough to change matters appreciably," Mr. Kahan said. In April 1984, he noted, when the Fed had raised the discount rate, the market reacted the same way to the half-point rise to 9 percent, but the

Currency Rates

Cross Rates	Sept. 4	Sept. 5	Sept. 6	Sept. 7
Australian dollar	0.7525	0.7530	0.7535	0.7540
British pound	1.6215	1.6220	1.6225	1.6230
French franc	6.5545	6.5550	6.5555	6.5560
German mark	1.9365	1.9370	1.9375	1.9380
Italian lira	2036.50	2037.00	2037.50	2038.00
Japanese yen	161.25	161.30	161.35	161.40
New Zealand dollar	0.4715	0.4720	0.4725	0.4730
Spanish peseta	166.65	166.70	166.75	166.80
Swiss franc	1.4815	1.4820	1.4825	1.4830
U.S. dollar	1.0000	1.0000	1.0000	1.0000

Other Dollar Values	Sept. 4	Sept. 5	Sept. 6	Sept. 7
Australian dollar	0.7525	0.7530	0.7535	0.7540
British pound	1.6215	1.6220	1.6225	1.6230
French franc	6.5545	6.5550	6.5555	6.5560
German mark	1.9365	1.9370	1.9375	1.9380
Italian lira	2036.50	2037.00	2037.50	2038.00
Japanese yen	161.25	161.30	161.35	161.40
New Zealand dollar	0.4715	0.4720	0.4725	0.4730
Spanish peseta	166.65	166.70	166.75	166.80
Swiss franc	1.4815	1.4820	1.4825	1.4830
U.S. dollar	1.0000	1.0000	1.0000	1.0000

Last Week's Markets

Stock Indices	Sept. 4	Sept. 5	Sept. 6	Sept. 7
DJ Industrial	2,841.25	2,842.35	2,843.45	2,844.55
S&P 500	281.25	281.35	281.45	281.55
NASDAQ	1,000.00	1,000.50	1,001.00	1,001.50
NYSE	1,000.00	1,000.50	1,001.00	1,001.50

Money Rates	Sept. 4	Sept. 5	Sept. 6	Sept. 7
3-month T-bill	7.75%	7.75%	7.75%	7.75%
6-month T-bill	7.75%	7.75%	7.75%	7.75%
1-year T-bill	7.75%	7.75%	7.75%	7.75%

Expanded Tri-Star Gets More Silver for the Screen

But Film Company Faces Obstacles

By Geraldine Fabrikant

NEW YORK — After Coca-Cola Co. announced on Sept. 1 that it would merge its entertainment operations into Tri-Star Pictures Inc., Victor A. Kaufman received more than 100 congratulatory phone calls. Even Mr. Kaufman, Tri-Star's seemingly unflappable chairman, seemed flustered by all the attention.

"I was amazed at the reaction," he said.

Yet the fuss was inevitable. Overnight, the 44-year-old former Wall Street lawyer had become one of the industry's most powerful players. Mr. Kaufman had already made a name for himself with Tri-Star, persuading Coca-Cola, Time Inc.'s Home Box Office and CBS Inc. to form the company five years ago in an innovative joint venture that came with an oversized bankroll and ready-made distribution network. Largely because of its Kaufman-engineered financial structure, Tri-Star prospered, posting operating profits of \$21 million last year on sales of \$254 million.

But now, as the designated president and chief executive of Tri-Star's new incarnation, Columbia Pictures Entertainment Inc., Mr. Kaufman will lead a company with combined assets of more than \$1.5 billion and \$3.1 billion in assets. Besides overseeing Tri-Star's movie, television and theater chain operations, he will be in charge of Coke's far larger Columbia Pictures and the soft-drink company's two other production companies, Embassy Communications and Merv Griffin TV.

Mr. Kaufman's coup comes with a critical question mark, however. His strength has been in financial matters, industry experts say, and his management skills have been tested on only a modest playing field.

"Victor Kaufman has basically been known as a very innovative deal maker," said Harold Vogel, an entertainment analyst at Merrill Lynch & Co. "Now he will have to prove himself in managing and running two large organizations where Hollywood-sized egos are involved."

Columbia Pictures — like Tri-Star — is not doing particularly well these days in producing box-office hits, for example, and many industry analysts say it is only a matter of time before Mr. Kaufman clashes with Columbia's strong-willed chief, David Puttnam. Should Mr. Puttnam leave, a host of other management changes could follow.

In addition, Mr. Kaufman must decide whether to merge Coca-Cola's growing television business into Tri-Star's fledgling TV operations. Just a few weeks ago, Coke Television's chief executive, Frank J. Biondi Jr., left the company to join Viacom International, leaving a vacuum at the top.

And Mr. Kaufman will still have to answer to Coke. In turning over its TV and movie operations to Tri-Star, Coke took a 49 percent stake in the merged company, and installed its president, Donald R. Keough, as the chairman.



Operating Income: Coca-Cola Entertainment's operating income of \$235 million last year far exceeded Tri-Star's \$214 million, but was small compared to the company's soft drink sector.

Victor A. Kaufman, top left, president of the newly established Columbia Pictures Entertainment Inc., with the symbols from the merged companies' two biggest hits, 'Rambo: First Blood Part II' and 'Ghostbusters.'

Greece Announces End to 2-Year Wage Freeze

ATHENS — Prime Minister Andreas Papandreu of Greece has announced that a two-year wage freeze will end at the end of this year, saying his government's austerity program had been successful.

"We can now say with firmness that the economy is in recovery. We are ready for the big leap of reform," he said Saturday in a speech at the opening of a trade fair in Salonika, in northern Greece.

The austerity program, introduced in October 1985, was highly unpopular with workers and trade unions, who have staged a series of general strikes and work stoppages in the past two years. But the government stuck to its policy on the ground that restraints were necessary to help stabilize the economy.

The moment has come to abolish the legislative restraint on wage increases and return to free negotiations between employers and employees," Mr. Papandreu said.

He said the government in 1988 would provide for a reduction in taxes. The government will also subsidize rents of low-income groups and employers will be allowed to give productivity bonuses to employees, he said.

Mr. Papandreu said that the government's stabilization program had succeeded in bringing down inflation.

The government has set a target of 10 percent inflation by the end of this year, compared with 16.9 percent at the end of 1986 and 25 percent in 1985.

But Mr. Papandreu conceded that the 10 percent goal would not be reached and that inflation would run 3 to 4 percentage points higher this year, about three times that of most European Community nations.

Officials said foreign debt would rise to about \$17.2 billion by the end of this year, from \$16.8 billion a year earlier, although the Greek government is seeking to eliminate net foreign borrowing over the next two years.

Dollar Likely to Govern Central Bank Talks

BASEL — Central bankers from the leading industrialized countries gathered on Sunday for three days of private talks that analysts expect to be dominated by strategies for dealing with renewed pressure on the dollar.

The gathering is a regular monthly meeting of the Bank for International Settlements, which is effectively the central banks' central bank. However, the formal and informal sessions have taken on increased significance as foreign exchange traders continue testing the resolve of the monetary authorities to abide by their pledges to stabilize the U.S. currency.

It is also the last session before the annual meetings of the International Monetary Fund and World Bank in Washington, from Sept. 24 to Oct. 1. It is at the latter meetings that most market participants expect any big decisions to emerge on economic policy and the fundamental problems behind the weak dollar: the U.S. trade deficit and the big surpluses in Japan and West Germany.

But after Friday's discount rate increase by the Federal Reserve Board and heavy central bank intervention in the foreign exchange markets in the past two weeks, the markets will be looking to Basel for clues about short-term measures.

The half-point rise in the discount rate, to 6 percent, followed by increases in U.S. banks' prime lending rates, failed to give the dollar more than a brief boost.

"The prime and discount increases are just a technical detail. The dollar remains a problem child of the deficits," said Dieter Glockner, foreign exchange dealer at West Germany's Deutsche Girozentrale. "I don't believe that the central banks can produce a turnaround in the next few days."

In Tokyo, bankers saw the move on interest rates as giving the dollar breathing space before the U.S. trade figures for July, due Friday.

Without the rate increase, said Motobide Hongo, a deputy general manager at Sumitomo Bank, "there might have been a panic situation" this week.

Three weeks ago, the rebounding dollar was undercut by news of a jump in the U.S. merchandise trade deficit for June, to \$15.7 billion. The renewed run on the dollar now threatens the February pact reached in Paris by finance ministers and central bankers to stabilize currencies.

But sentiment against the dollar is now so strong that some dealers believe the central bankers may be forced to lower their minimum trading target for the dollar, especially amid market expectations for a \$15 billion to \$17 billion July U.S. trade deficit.

BIS meetings are confidential, and BIS officials would not even confirm the timetable.

Although the U.S. central bank is not officially a BIS member, officials said both the new Fed chairman, Alan Greenspan, and his predecessor, Paul A. Volcker, would attend. Officials said they would use the occasion to bid farewell to Mr. Volcker, who dominated world monetary affairs for eight years.

China Cites Losses Over Japan Policy

BEIJING — Some Chinese businesses are showing serious losses as projects using technology imported from Toshiba Machine Co. grind to a halt because of Japan's tightening of trade with Communist countries, an official paper said Sunday.

The China Daily's Business Weekly said three Chinese plants were reporting heavy losses after their machinery orders from the Japanese company, a unit of Toshiba Corp., were delayed. It quoted an official as saying that there were many similar cases.

Toshiba Machine's trade with Communist nations has been curtailed after a ruling of the Coordinating Committee for Export to Communist Countries, a Paris-based body that regulates the movement of strategic materials, because the company sold machine tools for making submarine parts to the Soviet Union.

Business Weekly said a tractor factory in Shenyang, northeast China, could not begin production because vital Toshiba machinery had not arrived.

A Shenyang air compressor plant had to postpone production because of the decision, it said.

Last month, Fu Hao, chairman of the Chinese government's China-Nation Friendship Group, was quoted as saying that a total of \$1.8 billion in trade had been canceled by Japanese companies.

Saudi Arabia Plans To Restructure Its Oil Industry, Newsletter Says

NEW YORK — Saudi Arabia is planning to restructure its oil industry in a move that could reduce the role of its four U.S. partners in the kingdom's oil production but pave the way for new ventures in refining and marketing, Petroleum Intelligence Weekly said.

In a report prepared for publication Monday, the authoritative newsletter said that the Saudi oil minister, Hisham Nazer, recently told his four U.S. partners in Arabian American Oil Co. that it wanted stable outlets for its crude and asked them for suggestions.

The partners — Exxon Corp., Mobil Corp., Texaco Inc. and Chevron Corp. — apparently advised the Saudis to buy stakes in existing refining and marketing operations overseas.

Saudi Arabia once rejected the idea of moving into international refining and marketing. But the publication said it appears that Saudi Arabia has "now virtually decided" on the expanding into these businesses following OPEC's reintroduction of fixed oil prices this year and the resulting need to guard its market share.

Record Surplus In Taiwan Trade

TAIPEI — Taiwan's merchandise trade surplus widened to a record \$12.72 billion in the first eight months of 1987 from \$9.86 billion a year earlier, according to official figures published Saturday.

The August surplus also set a record at \$1.9 billion. The previous record of \$1.81 billion was in June, and the July surplus was \$1.7 billion. In August 1986, the trade surplus was \$1.55 billion.

Exports from January to August totaled \$34.4 billion and imports \$21.68 billion. In the year-to-date period, exports were \$25.21 billion and imports \$15.35 billion.

To Our Readers

Due to technical problems, OTC consolidated prices were unavailable.

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U.S. Purchasers Say Economy Grew in August

NEW YORK — A closely watched index that tracks the U.S. economy rose in August to its highest level in more than three years, according to a report prepared for release Monday.

The National Association of Purchasing Management's monthly report said its composite index of leading indicators rose to 59.9 percent in August from 58.2 percent in July. The August reading is the highest level the index has hit since 61 percent in April 1984.

Readings above 50 percent indicate that the economy is expanding and those under 50 indicate it is contracting.

The report said that for the first eight months of 1987 the index averaged 56.1 percent and that the growth rate through August would produce a 1987 expansion of 3.7 percent in the gross national product if it were maintained for the rest of the year. Gross national product measures the value of a nation's total output of goods and services.

The August improvement was based on reports by U.S. purchasing managers of greater numbers of new orders, larger inventories, higher rates of production, generally higher prices and more jobs than in July. The managers also said that the speed of vendor deliveries slowed, another indication of increased production.

"The economy continued its vigorous growth in August," said Robert J. Bretz, the association's chairman.

"Production was exceptionally strong, considering the normal seasonal slowing, and appeared to be aided by some inventory buildup," he added. "The continued rise in new orders virtually assures an excellent third quarter."

Thirty-six percent of the managers reported higher levels of new orders in August than in July, 51 percent said the number of new orders was unchanged, and 13 percent said orders decreased. The association said August was the eighth consecutive month of growth in new orders.

August was also the eighth month in a row in which production increased, according to the survey. Thirty-three percent of respondents reported greater production, 59 percent said production remained constant, and 8 percent reported a decline.

After a July decline, employment rose in August. Sixteen percent of the managers said there were more jobs, 13 percent said there were fewer, and 71 reported no change.

Only 3 percent said prices in August were lower than in July. Fifty-two percent said they were paying higher prices, and 45 percent said prices were flat. However, the managers reported that they were not expecting significant price increases during the rest of the year.

Marubeni Asks Chinese to Join In Car Venture

BEIJING — Marubeni Corp. of Japan has proposed a \$3.6 billion venture to build passenger and commercial vehicles in what would be the largest Japanese joint venture in China, the official Economic Information newspaper said Sunday.

The paper said the proposal was made to the state-owned People's Construction Bank of China. It involves building a plant in a coastal area of China to produce annually 300,000 passenger cars and commercial vehicles with engines of 1300 cc and 1500 cc.

The paper said the proposed factory would start producing by 1990, reaching full capacity in 1995. Local content would reach 80 percent by 1995.

Marubeni is preparing to present the proposal formally to the Chinese government in late October, the paper said. Japanese equity investment in China has been very limited and no Japanese automaker has made a large-scale investment in China.

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# Beatrice Buyout: The Big Game Hunt Yielded Major Trophies

By James Steinbold  
New York Times Service

NEW YORK — Henry Kravis was in the middle of a safari in the Kenyan bush two years ago, but he decided to call his office. Once he got through, he received news of a far more interesting hunt: His partner, George Roberts, told him that the board of Beatrice Cos. had just forced out the chairman, James L. Dutt.

"In a dream I had thought, maybe, sometime, we could buy Beatrice and we'd talk about it from time to time," said Mr. Kravis, a partner in Kohlberg Kravis Roberts & Co., the big New York buyout firm. "But when I heard George, I said, 'That's it. There must be real confusion there. We've got to do it.'"

What began as a crackly intercontinental conversation has turned into probably the most leveraged buyout ever — a deal that has surpassed the expectations of those involved.

Kohlberg Kravis and its partners bought an ailing conglomerate for \$6.2 billion. In only 16 months, they sold off most of the company for what may turn out to be well over \$9 billion, using relatively little money of their own. Others have done transactions like this, but few have turned them over this fast, and none have done it with this level of profits.

"We knew it was a good deal, but there's no question we didn't anticipate it would turn out quite this well," Mr. Kravis said.

Now, the last leaves are being shaken from the Beatrice money tree. Last week, the remaining assets of the company were put on the block. And it seems fitting that the last portion of Beatrice to be sold should be its domestic food operations — the core business that began as a dairy concern in Be-

atrice, Nebraska, in 1894 and grew into one of the world's largest food and consumer goods producers.

At its height, Beatrice sold everything from Playtex lingerie and Samsonite suitcases to La Choy chow mein, Hunt's ketchup and Tropicana orange juice — a behemoth created in a previous era when Wall Street generally equated size with profitability. With the final sale, Beatrice will have been reduced from a sprawling conglomerate into a pile of profits remarkable even by Wall Street's oversized standards.

The Beatrice transaction also illustrates the role that personal motivations can play in shaping corporate destinies. In this case it is a tale of the fall of Mr. Dutt, Beatrice's former chairman, and the comeback of Donald P. Kelly, the cross-town Chicago rival Mr. Dutt thought he had bettered. Mr. Kelly lost the conglomerate he had run, Esmark Inc., to Mr. Dutt in a Beatrice acquisition in 1984.

With the Beatrice deal, Mr. Kelly returned to steal back the prize. He participated in the buyout and presided over Beatrice's liquidation. And he has also spun off a new concern made up of several Beatrice divisions that he will head. It is called E-11 Holdings, which stands for Esmark II. Its stated aim: to buy and sell more companies.

Beatrice's restructuring, like others before it, has stirred sharp criticism from people who contend that such transactions just capture short-term profits and do not create jobs. Jim Hightower, Texas's commissioner of agriculture, complained in a recent essay that Kohlberg Kravis now controlled the largest U.S. food conglomerate but "couldn't make a biscuit if someone one kneaded the dough."

Kohlberg Kravis's reply is that it



Beatrice shopping bag: At one time, brands included La Choy, Swiss Miss, Hunt's ketchup and Tropicana, to name a few.

takes inefficient giants and puts them in the hands of managers who own part of the company, and thus work harder to make them more competitive. The units of Beatrice, the firm says, are functioning smoother and more profitably in private hands.

"What these buyouts do is generally just accelerate what would have happened anyway," said Marshall E. Blume, a professor of finance at the Wharton School of Business.

For a privileged handful of participants, the financial rewards from the Beatrice buyout have been strategic. For starters, the original deal generated more than \$250 million in fees and payments to various players.

Kohlberg Kravis, which has done more than 30 buyouts since it was founded 11 years ago, earned a \$45 million fee from BCI Holdings, the holding company formed to acquire Beatrice. Drexel Burnham Lambert, the securities firm that has shaken the investment world by pioneering the use of high-yielding, low-quality "junk" bonds to finance takeovers, was paid \$86 million for raising \$2.5 billion in junk bonds. Kidder, Peabody & Co., another investment bank, collected \$15 million for advising Kohlberg Kravis.

Mr. Kelly was paid \$6.75 million at the time of the buyout for his work in planning it. He received an additional \$13 million one year after the transaction for directing the

strategy that broke Beatrice into 10 parts — on top of his \$1.3 million annual salary. More fees were generated by the sale of the divisions.

Then there were the "golden parachutes" granted to Beatrice's top six executives to assure that they would agree. William W. Granger Jr., Beatrice's chairman at the time of its buyout, committed to approving the buyout only to pay him, and the others, more than \$22 million.

That, however, is loose change compared with the profits earned by the equity investors in BCI Holdings. While the final deal remains to be done, the money already collected from the sale of the other pieces already exceeds \$6.4 billion. If the domestic food operations now on the block fetch the expected price, \$2 billion to \$4 billion, plus the assumption of \$2 billion in debt, the investors will earn nearly \$5 for every \$1 invested. And that payoff will have come after less than two years, a remarkable short period of time. The typical turnover for leveraged buyouts is nearly five years.

Assuming a successful final sale, Kohlberg Kravis, which holds 63.5 percent of the fully diluted equity, will have turned a profit of about \$2.4 billion on an initial investment of \$400 million. That sum will be shared with the institutions that invested in its buyout fund, which put up most of the capital.

Drexel's stake of about 20 percent has increased by more than \$800 million in value. According to sources close to the firm, most of that stake is owned by Michael Milken, the head of its junk-bond operations.

Mr. Kelly's 7.5 percent share has appreciated about \$277 million. The rest of the stock is owned by some executives who run the company.

A slide in the stock market, which would have made it tougher to sell Beatrice operations, or a jump in interest rates, could have turned the buyout into a disaster. But the strongest bull market in decades and a steep slide in rates turned it into a grand slam.

"Brother, they took some big risk," said Goff Smith, the retired chairman of Amsted Industries and a member of Beatrice's board before the buyout. "When you take a big risk like that, you're entitled to a big profit."

The impetus for the Beatrice buyout began in 1984, when Mr. Kelly decided to sell Esmark, the large company he had built from Swift & Co., the meat processor, through a series of acquisitions. Esmark's stock had risen in the preceding years, but he decided that it was time to cash in on its value.

Mr. Kelly, however, wanted to keep running a major corporation. He first came close to a merger with Nabisco Brands, now RJR Nabisco, according to several people involved. But the deal was called off, in part because of a dispute over who would run the new concern, according to the sources.

At that point Mr. Kelly turned to Kohlberg Kravis, which was considered Wall Street's premier leveraged buyout firm. He negotiated a buyout of Esmark at \$55 a share that would have left him in charge.

Suddenly, Beatrice entered the fray. It offered \$56 a share. Esmark's investment bankers hinted that they would take some creative action to thwart Beatrice and spoke to Beatrice's advisers of bringing in another bidder to top their offer — a ploy to attract a higher price.

The gambit worked far better than expected, the investment bankers admitted afterward. Mr. Dutt was so eager to buy Esmark — in spite of his having initiated a program to slim down the hulking Beatrice — that he topped his own bid. Beatrice offered \$60 a share, or \$2.8 billion.

"We were floored," Mr. Kravis said. Added a Beatrice board member: "The reality is that Dutt trumped his own bid."

Mr. Kelly was out of a job. But he took his golden parachute, worth nearly \$18 million, and began to shop for buyout opportunities of his own.

Mr. Dutt had acquired Esmark

to strengthen Beatrice, but his pursuit of Esmark helped turn some of his own directors against him, and it altered some investment bankers to Beatrice's vulnerability.

It soon became clear that the parts of Beatrice, if valued separately, were worth more than the whole, as reflected in stock price. And analysts circulated reports that the company was ill-managed and inefficient.

One banker who saw an opportunity was Jeffrey P. Beck, who then worked at Oppenheimer & Co. and had advised Mr. Kelly. Mr. Beck, who is now an investment banker at Drexel, tried to convince Kohlberg Kravis and Mr. Kelly that they ought to join forces to take on Beatrice. In April 1985, he brought Mr. Kelly together with several Kohlberg Kravis partners.

Mr. Beck had been ignored at first, but now he had ammunition. There were growing reports coming out of Beatrice, some of which appeared in the press, that Mr. Dutt had been acting strangely. He had forced out a number of respected executives who ran large divisions. He was isolating himself, and remained out of touch for long periods of time, Beatrice officials said.

Outside members of Beatrice's board were worried by his behavior and about some major expenses he was taking on, several said. They were particularly concerned by a commitment to spend about \$80 million to support an auto racing team, led by Mario Andretti, and intended as a promotion.

Finally, the company's outside directors met secretly in New York in the summer of 1985, and a consensus was reached that Mr. Dutt had to go. The matter came to a head at a special board meeting in Chicago on Aug. 3. By the end of it, Mr. Dutt had resigned.

But the board had thought more about getting rid of Mr. Dutt than about replacing him, some of its members now concede. Instead of promoting one of the company's executives or bringing in a new person to become chairman, they brought in Mr. Granger, who had retired as vice chairman earlier. William G. Karnes, 74, a retired Beatrice chairman, was named head of the executive committee.

Wall Street perceived a growing vacuum at the top. That was the news that Mr. Kravis received in Kenya.

## TRI-STAR: Expanded Company Gains Muscle, but Faces Ego Problems

(Continued from first finance page)

running such a huge company. "Having more assets to deal with," he said, "gives you greater opportunities to do creative business transactions."

And as for doubts about his management abilities, he is characteristically confident. "It's a matter of choosing the best and brightest people around," he said. "I've been doing it at Tri-Star for five years."

At the new company, he added, "I don't contemplate that there will be more than six or seven people reporting to me. It will be lean and they will be people with big jobs themselves. A lot of what I do will be questioning as opposed to mandating."

As head of Tri-Star, he has kept a relatively low profile in Hollywood, commuting to the West Coast about once every month, and he plans to keep his base in New York City. A native of the borough of Queens, Mr. Kaufman lives on Long Island with his wife and teenage son and daughter. Several weeks ago he saw a sneak preview of "Nadine," Tri-Star's newest film starring Kim Basinger and Jeff Bridges, at a theater near his house.

When he was growing up, Mr. Kaufman never had any intention of going into the movie business. After graduating from Queens Col-

lege and the New York University School of Law, he taught criminal law at UCLA before joining the Wall Street firm of Simpson Thacher & Bartlett. His boss was doing a lot of work for Paramount Pictures in those days. Among the producers for whom Mr. Kaufman did work was David Putnam.

In 1974, Mr. Kaufman joined Columbia Pictures as assistant general counsel. He became chief counsel a year later. It was a turbulent period for Columbia. The studio was shaken by the forced resignation of David Begelman, its head, in a check forgery case. After the company was revived by a new management team, it was sold to Coke. Mr. Kaufman survived all the changes, emerging as vice chairman of Columbia Pictures before selling Coke on his idea to help fund Tri-Star.

Because of the deep pockets of Coke and the other partners in the joint venture — CBS has sold its stake; Time still has a 10 percent position — Tri-Star was taken seriously from the first by Hollywood and theater owners across the country. And because of prearranged distribution deals involving theaters through Columbia, the network TV with CBS and cable TV via Time's HBO, Tri-Star's financial risk was enormously reduced. Nonetheless, the company's re-

cord in the motion picture business has been mixed. It has had its share of hits, including "Rambo: First Blood Part II" and "Peggy Sue Got Married." But it has not made the kind of splash that the new management at Walt Disney Co. has since that team took over in 1984. And Tri-Star's 1987 releases have been lackluster, with such box-office disappointments as "The Squares" and "Monster Squad."

That has left Mr. Kaufman vulnerable to the standard criticism leveled at the movie industry's new wave of lawyer-kings. "In Hollywood, you either pick the films yourself or you hire the right people to pick them," said a producer at a competing studio. "Mr. Kaufman has yet to prove he can really do that."

Mr. Kaufman strongly defends the record of Jeffrey Sagansky, a former NBC executive who has been Tri-Star's production head for two years. And while he acknowledges that Tri-Star is not performing this year as well as last, he boasts that it has brought in \$1 billion in revenues since it was started, an accomplishment no other new film company can match.

Mr. Kaufman likes to rely on well-known actors and actresses. Tri-Star's coming movie, for example, includes "Ironweed," starring Jack Nicholson and Mary

Streep, and "Suspect," with Cher.

He does not expect to change that philosophy in his new position. "I believe in the fact of the head of a studio having to come and fight and justify the pictures that he wants to make," he said, although he insists that he would not interfere to the point where the studio head could not operate independently.

Nevertheless, his approach to movie making is widely perceived to be radically different from that of Columbia's Mr. Putnam. Responsible for producing such critically acclaimed films as "Chariots of Fire" and "The Killing Fields," before he joined Columbia about 18 months ago, Mr. Putnam has been a vocal critic of what he sees as Hollywood's dependence on superstars.

The resulting antagonisms with these stars have been costly for Columbia. Negotiations for the sequel to "Ghostbusters," for example, have reportedly stalled because Bill Murray has been put off by Mr. Putnam's approach. And Bill Cosby, who recently completed "Leonard" for Columbia, will make his next film at Warner Brothers, in part because of friction with Columbia's management. Mr. Putnam did not return phone calls for comment.

## American Exchange Options

Figures as of close of trading Friday.

Option & price	Call	Put	Option & price	Call	Put	Option & price	Call	Put	Option & price	Call	Put
Am Ex 100	100.00	100.00	Am Ex 200	200.00	200.00	Am Ex 300	300.00	300.00	Am Ex 400	400.00	400.00
Am Ex 500	500.00	500.00	Am Ex 600	600.00	600.00	Am Ex 700	700.00	700.00	Am Ex 800	800.00	800.00
Am Ex 900	900.00	900.00	Am Ex 1000	1000.00	1000.00	Am Ex 1100	1100.00	1100.00	Am Ex 1200	1200.00	1200.00
Am Ex 1300	1300.00	1300.00	Am Ex 1400	1400.00	1400.00	Am Ex 1500	1500.00	1500.00	Am Ex 1600	1600.00	1600.00
Am Ex 1700	1700.00	1700.00	Am Ex 1800	1800.00	1800.00	Am Ex 1900	1900.00	1900.00	Am Ex 2000	2000.00	2000.00
Am Ex 2100	2100.00	2100.00	Am Ex 2200	2200.00	2200.00	Am Ex 2300	2300.00	2300.00	Am Ex 2400	2400.00	2400.00
Am Ex 2500	2500.00	2500.00	Am Ex 2600	2600.00	2600.00	Am Ex 2700	2700.00	2700.00	Am Ex 2800	2800.00	2800.00
Am Ex 2900	2900.00	2900.00	Am Ex 3000	3000.00	3000.00	Am Ex 3100	3100.00	3100.00	Am Ex 3200	3200.00	3200.00
Am Ex 3300	3300.00	3300.00	Am Ex 3400	3400.00	3400.00	Am Ex 3500	3500.00	3500.00	Am Ex 3600	3600.00	3600.00
Am Ex 3700	3700.00	3700.00	Am Ex 3800	3800.00	3800.00	Am Ex 3900	3900.00	3900.00	Am Ex 4000	4000.00	4000.00
Am Ex 4100	4100.00	4100.00	Am Ex 4200	4200.00	4200.00	Am Ex 4300	4300.00	4300.00	Am Ex 4400	4400.00	4400.00
Am Ex 4500	4500.00	4500.00	Am Ex 4600	4600.00	4600.00	Am Ex 4700	4700.00	4700.00	Am Ex 4800	4800.00	4800.00
Am Ex 4900	4900.00	4900.00	Am Ex 5000	5000.00	5000.00	Am Ex 5100	5100.00	5100.00	Am Ex 5200	5200.00	5200.00
Am Ex 5300	5300.00	5300.00	Am Ex 5400	5400.00	5400.00	Am Ex 5500	5500.00	5500.00	Am Ex 5600	5600.00	5600.00
Am Ex 5700	5700.00	5700.00	Am Ex 5800	5800.00	5800.00	Am Ex 5900	5900.00	5900.00	Am Ex 6000	6000.00	6000.00
Am Ex 6100	6100.00	6100.00	Am Ex 6200	6200.00	6200.00	Am Ex 6300	6300.00	6300.00	Am Ex 6400	6400.00	6400.00
Am Ex 6500	6500.00	6500.00	Am Ex 6600	6600.00	6600.00	Am Ex 6700	6700.00	6700.00	Am Ex 6800	6800.00	6800.00
Am Ex 6900	6900.00	6900.00	Am Ex 7000	7000.00	7000.00	Am Ex 7100	7100.00	7100.00	Am Ex 7200	7200.00	7200.00
Am Ex 7300	7300.00	7300.00	Am Ex 7400	7400.00	7400.00	Am Ex 7500	7500.00	7500.00	Am Ex 7600	7600.00	7600.00
Am Ex 7700	7700.00	7700.00	Am Ex 7800	7800.00	7800.00	Am Ex 7900	7900.00	7900.00	Am Ex 8000	8000.00	8000.00
Am Ex 8100	8100.00	8100.00	Am Ex 8200	8200.00	8200.00	Am Ex 8300	8300.00	8300.00	Am Ex 8400	8400.00	8400.00
Am Ex 8500	8500.00	8500.00	Am Ex 8600	8600.00	8600.00	Am Ex 8700	8700.00	8700.00	Am Ex 8800	8800.00	8800.00
Am Ex 8900	8900.00	8900.00	Am Ex 9000	9000.00	9000.00	Am Ex 9100	9100.00	9100.00	Am Ex 9200	9200.00	9200.00
Am Ex 9300	9300.00	9300.00	Am Ex 9400	9400.00	9400.00	Am Ex 9500	9500.00	9500.00	Am Ex 9600	9600.00	9600.00
Am Ex 9700	9700.00	9700.00	Am Ex 9800	9800.00	9800.00	Am Ex 9900	9900.00	9900.00	Am Ex 10000	10000.00	10000.00







## SPORTS

## Lewis Makes 'Sparse Season' More Golden

Compiled by Our Staff From Dispatches

ROME — Carl Lewis, calling it "a sparse season for me" in which "I've had indifferent luck" but "better performances," rallied the U.S. 400-meter relay team to victory Sunday in the World Track and Field Championships to become the meet's only male winner of two gold medals.

Abdi Bile of Somalia scored a stunning upset in the men's 1,500 meters, beating world mile record holder Steve Cram of Britain and 10 other top middle-distance runners.

The United States, which had not done well the first seven days, did better on the last by winning the men's and women's 400-meter relays and the men's 1,600 relay. The 1,600-meter team, anchored by Butch Reynolds, set a meet mark of 2 minutes, 57.31 seconds in the championships' final event.

In the women's 1,600 relay, East Germany, anchored by 400-meter winner Sabine Busch, turned in the world's fastest time this year, a meet-record 3:18.63.

Said Anoufa of Morocco ran to a 10-meter victory in the men's 5,000 meters, but was almost a half-minute short of the world record of 12:58.39 set on the same Olympic Stadium track earlier this summer.

Patrick Sjöberg of Sweden, the

world record-holder, won the men's high jump; Douglas Wakihuru of Kenya won the men's marathon and Fauma Whitbread of Britain won the women's javelin throw with a meet-record of 251 feet, 5 inches (76.64 meters).

Bile, winner of the U.S. collegiate NCAA championship in 1985 and 1987 while at George Mason University in Virginia, had not been expected to win in Rome despite running some fast times this summer. The 24-year-old took up running only five years ago, but became the first Somali to win a gold medal in an Olympics or a world championship.

He was timed in 3:38.80 in the tactically paced race, with Jose Luis Gonzalez of Spain clocked in 3:38.03. Jim Spivey of the United States took third in 3:38.82, while Cram, the leader coming into the last bend, faded to eighth in 3:41.19.

The U.S. men's 400-relay team, anchored by Lewis, the gold medalist in the Saturday's long jump and the silver medalist in the 100-meter dash last Sunday, rallied to capture the relay in 3:07.90 seconds, the third-fastest clocking in history.

Lewis took the baton about 1½ yards behind the Soviet Union's

Vladimir Krylov but passed Krylov with about 40 meters left. In the closing strides, when he knew he had the race won, Lewis waved the baton in the air.

Preceding him were Lee McRae, Lee McNeill and Harvey Glance. The Soviet Union finished second in 3:08.2, a European record, with Jamaica third in 3:08.41.

In the women's 400 relay, the U.S. team of Alice Brown, Diane Williams, Florence Griffith and Pam Marshall just missed breaking the U.S. record of 4:15.55, set in Berlin last month, but won in 4:15.8, the fourth-best ever and a meet record. Griffith provided the impetus, giving Marshall a lead of about three yards on the anchor leg.

East Germany, the world record holder at 4:13.7, was second in 4:19.5. The Soviet Union finished third in 4:22.3.

In the women's 1,600, the United States placed third at 3:21.04, behind the Soviet Union's 3:19.50. In the men's 1,600, Britain was second in 2:58.86, with Cuba third in 2:59.16.

Sjöberg won the high jump at 7-9½. Igor Paklin and Gennady Avdeenko of the Soviet Union cleared the same height, but Sjöberg won on the basis of fewer misses.

In the javelin, world record-

holder Petra Felke of East Germany was second at 235-5 with Beate Peters of West Germany third at 225-9. Whitbread, who held the world mark prior to Felke's throw of 258-10 throw in June, almost skipped this meet because of a shoulder injury.

Wakihuru won the marathon in 2:11:47.6, with Houssein Ahmed Saleh of Djibouti second in 2:12:30 and Gelindo Bordin of Italy third in 2:12:40.

Aouita, who took the lead in the 5,000 meters at the start of the last lap, was timed in 13:26.46 but easily beat Domingos Castro of Portugal, with Jack Buckner of Britain third.

Saturday, Lewis scored his 52d consecutive victory in the long jump and Sergei Bubka of the Soviet Union won the pole vault, although both failed to set world records.

Lewis, recovering from a virus, leaped 28-5½ on his first and third attempts, but fell nine inches shy of Bob Beamon's 1968 record of 29-2½. Lewis did beat the only other man to clear 29 feet, Robert Emmiyan of the Soviet Union, who took the silver at 28-0.

In the vault, Bubka repeated as world champion by clearing 19-2¼, then failed in two tries at 19-10¼, just above his world mark of 19-9¼.

Thierry Vigneron of France, Rodolfo Casanovi of the Soviet Union and Marius Koles of Poland all cleared 19-0¼ but Vigneron got the silver medal and Casanovi the bronze on the basis of fewer misses.

That day's most satisfying performance for an overflow Olympic Stadium crowd of about 68,000 was produced by Francesco Panatta of Italy in the 3,000-meter steeplechase. He ran the event's fourth-fastest time ever, 8:53.7, and then ran two emotional victory laps.

Tatiana Samoilova of the Soviet Union became the meet's third double gold medalist, winning the women's 1,500 meters in a record 3:58.56. Saturday's other winners were world record holder Natalya Lisovskaya of the Soviet Union in the women's shot put, at 69-8¼, and 1980 Olympic champion Hartwig Gauder of East Germany in the men's 50-kilometer walk in 3:40:53, a meet record.

"I jumped well, considering the conditions," said Lewis, who was competing with a black ribbon on his right shoulder in memory of his father, Bill, who died in May.

Those conditions included a stomach weakened by a virus. "It slowed me down a little," he said. "I've been trying to break the world record, but I've been sick."

Lewis had created a stir when he said in an interview with London's ITV television, aired Friday night, that many stars were using "designer drugs," synthetic substances made to avoid detection in dope tests.

"It's worse than ever," he said. "There are gold medalists at this meet already that are on drugs." He offered no basis for his claims and did not identify any athletes. (AP, UPI)



Abdi Bile, victor in the 1,500.

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## Sooners, Huskers Win Big

Compiled by Our Staff From Dispatches

NEW YORK — The big two of the Big Eight Conference, Oklahoma and Nebraska, rolled to big victories on Saturday, the first weekend of the 1987 college football season.

Reserve quarterback Charles Thompson, taking over after the Sooners built a 35-0 lead in the

## U.S. COLLEGE FOOTBALL

second quarter, accounted for four touchdowns as Oklahoma routed North Texas State. Running back Keith Jones scored three touchdowns and quarterback Steve Taylor two as Nebraska thrashed Utah State.

But neither Oklahoma's coach, Barry Switzer, nor Nebraska's, Tom Osborne, were pleased. "I showed the players out at halftime," Osborne said. "We had not earned a whole lot of offensive points," said Switzer. "I like to have a flawless performance."

Oklahoma 69, North Texas State 14. In Norman, Oklahoma, safety David Vickers intercepted North Texas' pass on the game's first play. Oklahoma's defense forced North Texas to punt five times. Running back Keith Jones scored three touchdowns and quarterback Steve Taylor two as Nebraska thrashed Utah State.

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Coach Joe Paterno of Penn State, after victory No. 200.

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Penn State 45, Bowling Green 19. In University Park, Pennsylvania, Michael Timpson returned a punt 63 yards for a touchdown and Blair Thomas turned a screen pass into a 67-yard score as Joe Paterno, with a 200-44-2 record in 22 years at Penn State, became the ninth major college coach to win 200 games.

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Washington 31, Stanford 21. In Seattle, Chris Chandler was 18 of 31 passing for 314 yards. His 45-yard touchdown pass to Darryl Franklin in the third quarter broke open the game after Stanford had a four-yard touchdown pass called back on a penalty and a bad snap from center on a 26-yard field goal try ended up with Washington recovering the ball. The Cardinals' standout tailback, Brad Muster, injured his left ankle late in the first quarter and left the game.

LSU 17, Texas A&M 3. In College Station, Texas, Victor Jones scored on two short runs in the first half and the Louisiana State defense allowed Texas A&M to cross mid-field just twice in the Aggies' 14-game home winning streak.

UCLA 47, San Diego State 14. In Pasadena, California, the Bruins' Gerson Rashed rushed for 135 yards and one touchdown. (AP, UPI)

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## SCOREBOARD

## Football

## College Results

## EAST

Boiler 30, Tenn. Christian 30  
Columbia 21, Alfred 21  
Fordham 14, Kings Point 9  
Gettysburg 25, Williams 9  
Maine 42, American Int. 23  
Penn St. 45, Bowling Green 19  
Richmond 10, New Hampshire 7  
Virginia 25, Maryland 11  
W. Virginia 24, Ohio U. 10

## SOUTH

Alabama 21, Mississippi 6  
Auburn 31, Texas 3  
Clemson 45, W. Carolina 9  
Duke 41, Colorado 14  
E. Carolina 21, N. Carolina 14  
E. Tennessee 40, William & Mary 21  
Florida 31, Georgia Tech 14  
Georgia 21, Carolina 14  
Georgia Tech 21, Virginia 14  
Kentucky 21, Tennessee 14  
Louisville 21, Kentucky 14  
Memphis 14, Mississippi 10  
Miami (Fla.) 31, Florida 4  
Mississippi 31, Tennessee 4  
N. Carolina 34, Illinois 14  
N. Iowa 34, Missouri 14  
Tennessee 41, Tennessee 14

## MIDWEST

Ill. 34, S. Illinois 14  
E. Michigan 21, Michigan 14  
Iowa 31, Ohio State 14  
L. Michigan 21, Michigan 14  
Miami (Ohio) 15, Cent. Michigan 6  
Michigan 21, Michigan Tech 3  
Nebraska 31, Iowa 14  
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## FAIR WEST

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